Daily Report

Near East & South Asia

FBIS-NES-90-140
Friday
20 July 1990

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Inter-Arab Affairs

'Substance' of Kuwaiti Letter to Egypt Disclosed

JN1907135290 Paris Radio Monte Carlo in Arabic 1200 GMT 19 Jul 90

[Mustafa Bakri dispatch from Cairo]

[Text] (?Foreign) political sources in Cairo have disclosed to our radio the substance of a letter from the amir of Kuwait to Egyptian President Husni Mubarak delivered by 'Abd-al-Rahman al-'Awadi, Kuwaiti minister of state for cabinet affairs. The amir's letter emphasized Kuwait's concern for stepped-up Arab solidarity, pointing out that his country has not committed any violation of Iraqi borders nor has it set up military posts along their common border. Iraq's contention that Kuwait received oil supplies from Iraq since the beginning of 1980 was baseless, the message stated. The amir of Kuwait said he hoped Iraq would show understanding of Kuwait's brotherly stand. It was not his country's intention to criticize or heighten tension with Iraq, but he would leave it for the Arab community to sort out the Iraqi-Kuwaiti differences, the message added.

President Mubarak emphasized to the Kuwaiti envoy that Egypt will immediately get in touch with Iraq to contain the disagreement; he said he hoped the crisis, which can only play into the hands of the enemies of the Arab nation, would be defused. This morning, President Mubarak phoned Amir of Kuwait Shaykh Jabir al-Ahmad to discuss the crisis.

Meanwhile, Egypt, Saudi Arabia, and the Republic of Yemen have moved to resolve the differences among Iraq, Kuwait, and the United Arab Emirates [UAE]. The three countries will keep up the mediation effort to set up direct contacts among Iraq, Kuwait, and the UAE.

In another development, Egyptian newspapers this morning frontpaged what they called criticism of Egypt by Palestinian president Yasir 'Arafat and Iraqi Foreign Minister Tariq 'Aziz for the failure of Egyptian Foreign Minister 'Ismat 'Abd-al-Majid to turn up for the Arab foreign minister's conference in Tunis. Egypt's establishment papers reported that 'Arafat criticized the absence of certain Arab foreign ministers by saying: We are in one home, and the fire is bound to get to all. Attacking U.S. aid to Israel, 'Arafat contrasted it to the aid Egypt receives from the United States, noting that Egyptians get wheat week after week. Also highlighted by Egyptian newspapers today were statements given to the Kuwaiti newspaper AL-WATAN by Sulayman al-Najjab, member of the PLO Executive Committee, claiming that Egypt has endorsed the American position by putting pressure on the PLO to accept U.S. conditions for a resumption of the dialogue. Meanwhile, Tariq 'Aziz was quoted by Egyptian newspapers to have said that some Arab countries had pushed the PLO into the dialogue and to have asked whether they should now bear some responsibility and attend the foreign ministers' conference rather than leave the PLO on its own. The Iraqi foreign minister's statements were directed at Egypt. Official Egyptian sources, have, however, refrained from commenting on the Egyptian newspaper reports.

UN-Arab League Meeting Opens in Geneva

LD1807140690 Kuwait KUNA in English 1108 GMT 18 Jul 90

[Text] Geneva, July 18 (KUNA)—The joint meeting between representatives of the United Nations and the League of Arab States and its specialized agencies opened here Wednesday. During the private meeting, which ends on Friday, the League of Arab States will provide information about its needs and priorities to the organizations and agencies of the United Nations system.

Opening the meeting, the chairman, Abdul Rahim Abou Farah, [name as recieved] under-secretary general for special political questions, regional cooperation, decolonization and trusteeship, said that the meeting was intended to review the progress achieved in the implementation of the proposals adopted at the last meeting in 1988. Further, participants, by the end of the meeting, will develop a two-year programme of cooperation between the two organizations, Farah pointed out.

Farah recalled that by its resolution 44/7 of 17 October 1989, entitled "Cooperation Between the United Nations and the League of Arab States," the General Assembly requested the secretary general of the United Nations to arrange this joint meeting in 1990.

Following the opening plenary meeting, Farah said that the participants will be divided into sectoral working groups, composed of representatives of concerned agencies on both sides, to deal with specific proposals, in order to prepare an integrated text of a draft report, which will be considered in the last plenary meeting on Friday.

Also addressing the opening session of the meeting, Adnan Omran, [name as received] assistant secretary general of international political affairs and head of the Arab League delegation, said that this was a unique opportunity for both parties to objectively evaluate the accomplishments of both sides and to remove any future obstacles.

Omran stressed that the League of Arab States is trying its utmost and in many ways to achieve a lasting peace in the region despite obstacles set up by the United States and Israel. These hurdles, he pointed out, were obstructing the United Nations from fulfilling its duties, among which is its "sacred" duty to maintain peace.

"Israel is the only state which was formed as a result of a United Nations resolution, yet it continues in its flagrant violation of all UN resolutions," Farah maintained.

The Arab League official further noted that in its application of [words indistinct] an oppressive and expansionist policy, Israel is illegally, that is contrary to all international conventions, bringing immigrants and settling them in the occupied territories. "This represents a danger to peace and security in the region, and indeed,

the whole world, and while the Arab League affirms the need to respect human rights, including the right to immigration, if [words indistinct] it is a voluntary choice, it will oppose any measures forcing immigration," he added.

The Palestinian people, Farah observed, through their heroic rebellion, have affirmed their will to put an end to occupation to repair an injustice which has been going on for 40 years. He said that the League of Arab States is awaiting the day when the United Nations can assert its authority and apply its charter to bring about a lasting peace in the region.

Farah also raised the issue of Israeli occupation of Lebanon and hoped that the UN would be able to implement its resolution in acquiring Israel's withdrawal from Lebanese territory.

Moreover, he expressed satisfaction with respect to the progress made by the UN with respect to progress achieved in the Iran-Iraq negotiations.

Concluding, Farah hoped that this current meeting would make positive strides in reaching an objective and scientific assessment of the cooperation between the United Nations and the Arab League and its agencies.

Attending the meeting from the Arab League Secretariat are the Arab Monetary Fund, Arab Labour Organization, the Arab Center for the Studies of Arid Zones and Dry Lands, the Secretariat of the Councils of Ministers of Interior, and the Arab League Educational, Cultural, and Scientific Organization.

Palestinian Affairs

Contacts Made To Contain PLO-Egypt 'Tension'

JN1907184890 Paris Radio Monte Carlo in Arabic 1700 GMT 19 Jul 90

[Mustafa Bakri dispatch from Cairo]

[Text] PLO officials have held urgent contacts with the Egyptian ambassador in Tunis aimed at containing the tension produced by statements by certain PLO officials regarding Egypt's role in the PLO-U.S. dialogue and the failure of the Egyptian foreign minister to participate in the recent Arab foreign ministers meeting in Tunis.

Egypt had been informed through diplomatic channels of Palestinian president Yasir 'Arafat's intention to visit Cairo. However, and according to today's Egyptian press, Cairo was surprised at statements by the Palestinian president and certain other Palestinian officials which the official press considered to be harmful to relations between the two sides. Nevertheless, the Egyptian Government has thus far not commented on these statements.

The Egyptian Foreign Ministry prepared a report on the dimensions of these contacts and submitted it to President Mubarak this morning. The Ministry said that the Palestinian-Egyptian misunderstanding should not affect Egyptian efforts to establish peace in the region and that Cairo should continue contacts with world powers to put an end to the violence in the occupied territory and reach a formula leading to an Israeli-Palestinian dialogue that could be a prelude to solving the Palestinian problem. The report recommended bypassing the signs of tension in Egyptian-Palestinian relations and avoiding playing into the hands of the PLO hardliners.

Official Says Only Egypt Endorses U.S. Stand

JN2007073890 Kuwait AL-QABAS AL-DUWALI in Arabic 19 Jul 90 p 19

[By Muhammad al-Qabisi]

[Text] Tunis—PLO Executive Committee member Abu-'Ali Mustafa [Mustafa al-Zibri] says the continuing meetings in Tunis of the Palestinian leadership are addressing ways and means to sustain the intifadah and abort Shamir's plan and Palestinian and Arab moves to isolate the United States. In exclusive statements to AL-QABAS, the Palestinian official adds: Palestinian officials will be active on the Arab and international levels over the coming weeks.

It does not look like the dialogue with the United States will resume soon, said Mustafa, who recalled the address by the state of Palestine's president to the recent Arab League Council meeting in which Yasir 'Arafat envisaged action on three fronts. The PLO official listed these as sustaining the momentum of the intifadah, a popular and official boycott of the United States, and a campaign to project it as an international pariah defying legitimacy.

The Palestinian official sees very positive signs regarding the European troika, which will hold talks with Palestinian and other Arab officials in Tunis this Tuesday [24 July]. He repeated that the PLO will press for more vigorous action by the United Nations to consolidate Palestinian gains.

Asked by AL-QABAS to comment on Arab hesitancy to act as required by the present situation, Abu-'Ali Mustafa said Egypt is the only Arab country endorsing the American position. Except for Egypt, the Arabs see the need for consolidating a united Arab approach to implementing the Baghdad summit resolutions, formulating coherent policies toward the American position on the Arab-Israeli conflict, and aborting the Shamir plan to put down the intifadah. He noted a link in the Shamir plan between Jewish immigration and expansion in the occupied Arab territory, particularly in the Jerusalem district. The PLO official said continued Jewish immigration must be tied to the right of Palestinians to return according to UN Resolution No. 194, an end to occupation, and a settlement under UN auspices. Continued Jewish immigration should not be allowed to compromise the national legitimate rights of the Palestinians, he added.

He said the Palestine Central Council meeting has been postponed for purely administrative and security reasons. Preparations have been completed for it to convene early next month in Baghdad.

OPEC Affairs

OPEC President Urges Oil Price Stability

LD1807142890 Algiers APS in English 1120 GMT 18 Jul 90

[Text] Tripoli, 18 July (APS)—[Algerian] Mines Minister Sadek Boussena, acting OPEC president, has urged OPEC member states to co-operate to ensure oil price stability. The minister told OPECNA [OPEC NEWS AGENCY] on the sidelines of the seventh ordinary ministerial meeting of the African Petroleum Producers' Association (APPA) that it is in the interest of everybody to join efforts in order to stabilize oil prices and enhance our revenues in real terms" [quotation mark as received]. He observed that OPEC would not relent in its efforts to promote co-operation among oil producers, adding that APPA was a forum for furthering [words indistinct]

"We [words indistinct] if we are to restore oil price stability," he said.

Egypt

Presidential Statement on Arab 'Solidarity'

NC2007060890 Cairo Domestic Service in Arabic 0400 GMT 20 Jul 90

[Statement issued by the Presidential Office in Heliopolis, date not given—read by announcer]

[Text] At this critical stage, in which the world is witnessing deep and radical developments and fundamental changes, reshaping the various concepts and systems that have prevailed since the end of World War II, all countries and peoples are seeking to mobilize the elements of strength that will provide them with the greatest protection for their strategic rights and interests, and help them press ahead with firmness and confidence.

At this particular stage, the Arab nation finds itself facing severe challenges and fateful tests. These concern both the defense of pan-Arab security and the confrontation of the dangers threatening peace and stability in the Middle East, and the creation of favorable conditions for pursuing the process of development and survival and facing up to the increasing requirements of scientific progress and technological development.

The Arab Republic of Egypt has on several occasions emphasized that one of the most important elements of strength with which the Arab nation must equip itself at this peaceful stage is the preservation of the unity of the Arab fold and the enhancement of solidarity among all Arab countries.

Proceeding from a belief in the same goal and fate, and from the recognition that the differences between certain Arab parties cannot develop into major contradictions [tanaqudat] that could hamper the unified march or spoil relations within the same family, the Arab Republic of Egypt urges all Arab brothers to give maximum priority to enhancing Arab solidarity, and to avoid any complications that may harm the cohesion and firmness of the Arab front or its capabilities to confront the challenges facing it and threatening its interests.

Egypt asserts that the only method of settling any differences which is in harmony with the Arab nation's higher interests is that of an objective brotherly dialogue, free from an inflammatory and tensed atmosphere, that would enable all parties to keep their clear vision of Arab goals and aims and to shape their course both now and in the future, in order to revive the hopes of the Arab peoples who are aspiring to a better future.

Mubarak Proposals on Arab Relations Reported

PM1907114290 London AL-SHARQ AL-AWSAT in Arabic 18 Jul 90 pp 1-4

[Unattributed report: "'Arafat To Visit Cairo Within a Matter of Hours, Endeavors To Convene Meeting Between 'Aziz And al-Shar'"]

[Excerpt] Cairo—AL-SHARQ AL-AWSAT has learned that a personal envoy of Egyptian President Husni Mubarak will shortly head for Baghdad to convey a message to Iraqi President Saddam Husayn concerning Egypt's endeavors to clear the air between Syria and Iraq. This is within the framework of extensive activities to exploit the political results of the Alexandria meeting between President Mubarak and Syrian President Hafiz al-Asad.

In an exclusive statement to AL-SHARQ AL-AWSAT an authoritative Egyptian source said that, although the joint statement signed at the end of President al-Asad's visit to Egypt made no reference to any agreement on the issues discussed, statements by both presidents and by officials of both countries' delegations to the talks showed signs of possible progress in the endeavors being made to clear the Arab atmosphere.

The source said that, within the framework of Egypt's extensive activities, Palestinian president Yasir 'Arafat will come to Egypt within a matter of days, or perhaps hours, to meet with President Mubarak and discuss the features of the Palestinian and Arab moves in the period ahead.

The source also said that the Mubarak-'Arafat talks will include a review of Egyptian efforts to improve Syrian-Palestinian relations and a discussion of the possibility of having President 'Arafat invited to visit Damascus at the head of a Palestinian delegation and of convening a summit between him and President al-Asad.

The sources emphasized that this week President Mubarak will have a series of contacts with the leaders of the Arab Cooperation Council states—Iraq, Jordan, and Yemen—to brief them on the results of President al-Asad's talks in Egypt.

AL-SHARQ AL-AWSAT has learned that Cairo is currently seeking, in coordination with other Arab capitals, to hold a ministerial meeting between Iraqi Deputy Prime Minister and Foreign Minister Tariq 'Aziz and Syrian Foreign Minister Faruq al-Shar' on the sidelines of the Islamic states' foreign ministers conference to be held in Cairo at the end of the month, since the two ministers' attendance at the conference has been confirmed. [passage omitted]

'Arafat Sends Message to Mubarak 19 Jul

NC1907165090 Cairo MENA in Arabic 1619 GMT 19 Jul 90

[Text] Tunis, 19 Jul (MENA)—Palestinian president Yasir 'Arafat sent a message to President Husni Mubarak today.

The PALESTINIAN NEWS AGENCY WAFA said that 'Arafat handed this message, which it described as "important and urgent" to 'Ali Mahir, Egypt's ambassador in Tunis, during their meeting this afternoon.

The agency added that the message is about the results of the meetings of the emergency session of the Arab League's Council which was recently held in Tunis.

Source Comments on 'Defamation Campaigns'

NC2007102890 Cairo MENA in Arabic 0637 GMT 20 Jul 90

[Text] Cairo, 20 Jul (MENA)—AL-AHRAM newspaper has cited a responsible Egyptian source as stating that Egypt rejects the defamation campaigns which certain Arab parties launched at the Arab foreign ministers conference in Tunis. The source noted that Egypt has employed all its economic resources and sacrificed the blood and lives of its young men to liberate the usurped land.

The source emphasized that the primary reason for the loss of the Arab lands was negligence on the part of numerous parties, with the exception of Egypt.

The source said: As Egyptians, disregarding differences in views, we do not accept any skepticism about the history and reputation of any Egyptian leader, who played his role for the sake of his country within the available resources.

He noted that it is ridiculous to say that leader Mustafa al-Nahhas Basha had told al-Wafd members in London in 1939: You are angering the Jews over the Wailing Wall. Give them the wall and let us get it over with. It is also ridiculous to claim that the issue of this wall developed afterward until it became involved in the issue of the map of greater Israel.

It is noteworthy that Mustafa al-Nahhas Basha never headed the Egyptian Government during 1939. In this year, Muhammad Mahmud Basha headed the Egyptian Government until mid-August, when 'Ali Mahir Basha took over until the end of that year.

Papers Comment on Inter-Arab Disputes

NC2007090090 Cairo MENA in Arabic 0648 GMT 20 Jul 90

[Text] Cairo, 20 Jul (MENA)—AL-AKHBAR and AL-JUMHURIYAH have called on all the Arabs to be cohesive and united in order to confront the consequences of the ferocious onslaught for which Israel is preparing.

In their editorials in today's editions, the two papers say that any dispute among Arab countries must be governed by certain methods, and that such a dispute should be confined to the organizations to which these countries belong. Such a dispute, the papers add, should not involve the utterance of haphazard charges and misleading statements in newspapers.

Under the headline "A Method Rejected by All Standards," AL- AKHBAR notes that it is neither appropriate nor reasonable for some parties to seek to exacerbate the situation and destroy the edifice of accord—the reconstruction of which all of us celebrated recently—at the very time when the Arab nation is facing the most dangerous international and Zionist conspiracy to settle millions of Soviet Jews in the Palestinian territories.

The paper says that if these disputes are not settled within the Arab League, then what is the use of the league, the summit conferences, the bodies set up according to the Arab League Charter, and the agreements concluded by the Arab countries?

Meanwhile, AL-JUMHURIYAH expresses its great shock at the negative developments in Arab relations that have occurred in the past two days. These were particularly manifested in the evolving crisis between Iraq on the one hand and Kuwait and the United Arab Emirates on the other over oil production quotas, the paper says.

The paper points out that the Arab public is questioning the timing of this dispute, which coincided with sincere efforts to heal the Arab rift and to confront the foreign plots which viewed Arab coordination as a threat.

The paper says that Arab public opnion compares these attempts to divide the Arab fold and preoccupy it with factitious issues with the world's current tendency to set up major entities, such as European unity which is pressing ahead successfully.

In conclusion, the paper notes that Arab solidarity cannot be accomplished by fiery speeches, nor by calls for meetings at which we detonate verbal bombs. But, it says, solidarity can always be achieved through serious efforts, sincere work, and an objective approach to matters without tension or one-upmanship.

Lebanese Paper Details Mubarak-Al-Asad Talks

NC1907105590 Beirut AL-SAFIR in Arabic 18 Jul 90 pp 1,9

[Report by Amin Radwan]

[Text] Cairo—Arab diplomats here have said that the talks between Presidents Husni Mubarak and Hafiz al-Asad, particularly their discussions of inter-Arab relations and the main dangers threatening the Arab nation's security, have been received with great satisfaction in Arab capitals. In this context, sources close to the Egyptian Presidency affirmed that Cairo has resumed its efforts to achieve Syrian-Iraqi reconciliation after Syria encouraged Mubarak to exert efforts toward this goal. The same sources said that Syria is going ahead with its efforts to achieve Egyptian-Iranian reconciliation after receiving Egypt's approval.

These sources pointed out that these results was achieved during th : final session between Presidents Mubarak and al-Asad. They said that Syrian President al-Asad expressed his readiness for meetings between Iraq and Syria in any Arab capital provided that there is prior agreement on the handling of certain fundamental differences. The sources said that this approach can be decided on through indirect contacts which Egypt can hold first and then brief Syria on their results. The sources pointed out that President al-Asad pledged that in the event an agreement is reached on the handling of

these differences, he will be ready to meet with Iraqi President Saddam Husyan in Cairo. They said that during his final session with President al-Asad, President Mubarak requested that a direct meeting between the Iraqi and Syrian foreign ministers be arranged to discuss differences between the two countries. Mubarak explained to al-Asad that a direct meeting between the two foreign ministers will build confidence between the two countries in their mutual desire to reach a permanent solution to Iraqi-Syrian differences.

Citing members of the Syrian delegation, these sources said that before a meeting is held between the Iraqi and Syrian foreign ministers, the points to be discussed should be defined in advance, because holding a meeting on this level without prior definition of the points to be examined will not settle these differences.

The sources also said that the final session between Mubarak and al-Asad dealt with Syria's efforts to improve Egyptian-Iranian relations and arrange meetings between Egyptian and Iranian officials. Mubarak told al-Asad that Egypt is not opposed to such meetings. He said that Egypt wants to learn the Iranian Government's views on the release of Egyptian prisoners of wars held by Iran and to be provided with accurate information on these prisoners. Mubarak asked al-Asad that Syria hold contacts with the Iranian Government on this issue in the next few days.

Meanwhile, sources in the "Islamic Alliance" in Cairo said that Iran will release the Egyptian POW's in the near future. Political figures in the "Islamic Alliance" had earlier visited Iran and held contacts with the Iranian Government on the POW's.

Further Reportage on Kuwaiti Amir's Message

Mubarak Telephones Amir

NC1907101690 Cairo MENA in Arabic 1000 GMT 19 Jul 90

[Text] Cairo, 19 Jul (MENA)—President Husni Mubarak telephoned Kuwaiti Amir Shaykh Jabir al-Ahmad Al Sabah this morning. They discussed current developments in the region and the need to preserve the unity of Arab ranks at this delicate stage.

Amir's Envoy Leaves Cairo

NC1907143390 Cairo Domestic Service in Arabic 1400 GMT 19 Jul 90

[Text] Kuwaiti Minister of State for Cabinet Affairs Dr. 'Abd-al-Rahman al-'Awadi left Cairo this morning following a 24-hour visit to Egypt, during which he delivered a message to President Husni Mubarak from Kuwait Amir Shaykh Jabir al-Ahmad Al Sabah.

Dr. al-'Awadi is currently on a tour which will take him to Sudan, Djibouti, Somalia, Syria, Jordan, and Lebanon. He will hand messages to the leaders of these countries from the Kuwaiti Amir on the Iraqi complaint against Kuwait in connection with oil matters.

Minister Urges Greater ACC Economic Integration

NC1907125890 Cairo MENA in Arabic 1045 GMT 19 Jul 90

[Text] Amman, 19 Jul (MENA)—Dr. Yusri Mustafa, Egyptian minister of economy and foreign trade, has said that there must be reliance on the integration of production among the Arab Cooperation Council [ACC] countries to provide a solid foundation for economic cooperation. He called for benefiting from each of the ACC countries' unique capability to produce particular goods and for exchanging these goods with the other member countries.

In an interview with the MENA correspondent in Amman, Dr. Mustafa said that the ACC countries are rich in resources and that it is possible to integrate and coordinate the means of production which exist in varying degrees in each country and to set up productive economic projects that would boost the ACC countries' strength. He stressed that integration in the field of production would lead to the expand trade among the four countries.

The economy minister referred to the importance of giving priority to using goods produced in the ACC countries instead of importing these goods from other countries in order to boost trade exchanges among the four countries. He said that agreement has been reached to exempt 34 commodities from custom duties in the four countries' markets in preparation for the establishment of a common market. Among the exempted goods are sulphur, fodder, barley, sulphuric acid, medicine, vaccines, untreated leather, polyethelene, and synthetic fibres.

Dr. Mustafa stressed the need for starting agricultural production projects, saying that the ACC countries have 11 million hectares of arable land but only half of it is under cultivation because of shortages in other factors, such as trained workers, or because of the absence of the necessary capital. He added that these agricultural lands could be exploited to the benefit of the four ACC countries through cooperation.

He said that the ACC countries have a vast manpower pool totaling 32 million workers from various professions. These countries also have resources such as oil, tourism, and agricultural land.

Dr. Yusri Mustafa added: The total national income of the four ACC countries is not less than $130 billion. If we save 20 percent of this income then we can provide the local component of the necessary financial investment for projects in various fields in the ACC countries.

Ghali, Guinean Minister Open Cooperation Talks

NC1907131590 Cairo MENA in Arabic 1055 GMT 19 Jul 90

[Text] Cairo, 19 Jul (MENA)—Meetings of the fourth session of the joint higher Egyptian-Guinean joint committee began at the Foreign Ministry today. The Egyptian delegation is led by Dr. Butrus Ghali, minister of state for foreign affairs, and the Guinean delegation is led by Ibrahim Sylla, minister of plan and international cooperation.

The committee began by reviewing African and international issues of common concern and the two ministers expressed satisfaction with the identity of views on these issues.

Within the framework of the strong bilateral relations between the two countries, aspects of existing cooperation were reviewed, with the two sides stressing their intention to expand cooperation in all fields.

Ibrahim Sylla expressed his country's appreciation for the work of the Egyptian experts sent to Guinea by the Egyptian Foreign Ministry's fund for technical cooperation with African countries and asked that more experts be dispatched to work on his country's new development projects.

The committee's meetings are scheduled to end on Sunday [22 July] with the signing of the executive program for the cultural, scientific, and technical cooperation agreement signed by the two countries in 1961.

Sudanese Envoys Arrive With Al-Bashir Message

NC1907124090 Cairo MENA in Arabic 1157 GMT 19 Jul 90

[Text] Cairo, 19 Jul (MENA)—Colonel Muhammad al-Amin Khalifah, member of the Sudanese Revolution Command Council for National Salvation [RCCNS] and chairman of the national peace dialogue committee; Engineer Sa'id 'Uthman, Sudanese minister of state for expatriate affairs; and the delegation accompanying them arrived in Cairo at noon today for a visit which will last several days.

Speaking upon arrival, Col. al-Amin stated that he will represent RCCNS Chairman Lieutenant General 'Umar al-Bashir at the celebrations marking the 38th anniversary of the 23 July revolution. He added that he is carrying a verbal message from Lt. Gen. al-Bashir to President Husni Mubarak on efforts to expand the scope of cooperation between the two countries.

Col. al-Amin added that he will meet with a number of Egyptian officials to discuss ways to further boost cooperation. He noted that he will attend the opening session of the national constituent conference for Sudanese residing in Egypt, which opens Friday evening [20 July]. He pointed out that the conference represents the Sudanese presence in Egypt which serves as a human bridge between the two countries and embodies their unity.

Health Cooperation Agreement With Libya Detailed

NC1907141590 Cairo MENA in Arabic 1212 GMT 19 Jul 90

[Excerpt] Cairo, 19 Jul (MENA)—Egypt and Libya have agreed that Egyptian pharmaceutical companies will manufacture the Libyan Jamahiriyah's medicinal requirements and that Libya will provide the necessary medical raw materials. The two sides will agree on the necessary measures for this cooperation.

The Egyptian and Libyan sides held a final round of talks today. The meeting was headed on the Egyptian side by Health Minister Dr. Raghib Duwaydar and on the Libyan side by Dr. Muhammd Mustafa al-Zaydi, secretary of the General People's Committee for Health.

Having reviewed the various scopes of cooperation in the drug and health fields, the two sides agreed that the Libyan side will give Egypt the contract for providing human and veterinary drugs, vaccines, serums, and antibiotics for the years 1991 and 1992. Contacts will continue between the two countries for the sake of coordination, before a final decision is made on giving the priority to Egyptian pharmaceutical products. [as received]

The two sides also agreed to coordinate their policies with a view to achieving integration in the pharmaceutical production of the Egyptian factories and the Libyan al-Rabitah factory.

The two countries agreed that the Egyptian al-Nasr Pharmaceutical company will undertake the necessary studies to establish a joint factory for medical solution substitutes in Libya to produce 2.5 million intravenous solution ampules at least every year. The type of partnership is to be determined at a later date. [passage omitted]

Austria Approves Loan for Telephone Project

NC1907142590 Cairo MENA in Arabic 1112 GMT 19 Jul 90

[Excerpt] Vienna, 19 Jul (MENA)—Egyptian Ambassador in Vienna Mrs. Mirvat al-Tallawi said that the Austrian Finance Ministry and the Control Bank have approved the second phase loan for the Egyptian telephone network which is valued at 300 million Austrian shillings.

In an exclusive statement to MENA, the ambassador said that the loan conditions will be the same as the easy credit conditions for the loan given on the first phase of the project and that Egypt received in the 1970's. [passage omitted]

Colombian Foreign Minister Departs 18 Jul

NC1907080390 Cairo MENA in Arabic 0822 GMT 18 Jul 90

[Text] Cairo, 18 Jul (MENA)—Colombian Foreign Minister Julio Londono Paredes left Cairo this morning at the end of a three-day visit during which he was received by Prime Minister Dr. 'Atif Sidqi.

During his stay, the Colombian minister discussed Latin American, African, and Middle Eastern issues with Egyptian Foreign Ministry officials within the context of South-South dialogue. These issues are of concern to Egypt, which plays a role in promoting the South-North dialogue.

The Egyptian and Colombian sides also discussed bilateral economic and trade ties, relations between Third World countries and the Nonaligned Movement, and coordination between Egypt and Colombia in all spheres.

Tunisian Envoy Ends Term of Office, Departs

NC2007125890 Cairo MENA in Arabic 1022 GMT 20 Jul 90

[Excerpt] Cairo, 20 Jul (MENA)—Mahmoud Mestiri, Tunisian ambassador in Cairo, left Cairo this morning at the end of his term of office in Egypt. [passage omitted]

Economy Minister Leaves for Amman Conference

NC1807121190 Cairo MENA in Arabic 1057 GMT 18 Jul 90

[Excerpt] Cairo, 18 Jul (MENA)—Dr Yusri Mustafa, minister of economy and foreign trade, left Cairo for Amman today for a visit of several days.

During the visit he will participate in the third conference of the economy, trade, and supply ministers of the Arab Cooperation Council countries, due to be held later today [as received]. [passage omitted]

Minister Returns From African Oil Meeting

NC1907165790 Cairo MENA in Arabic 1622 GMT 19 Jul 90

[Text] Cairo, 19 Jul (MENA)—The petroleum and mineral resources minister, chemist 'Abd-al-Hadi Qandil, returned to Cairo from Libya this afternoon after attending the regular meetings of the ministerial council of the African petroleum-producing states.

The minister said that the meetings discussed all the problems facing the African petroleum-producing states and cooperation in oil search and marketing. He added that the meetings reviewed the situation of the international oil market, noting that the conferees welcomed OPEC's efforts to stabilize prices and adhere to production quotas.

Editorial on Israel's 'Demand' for U.S. Guarantees

JN1907150890 Cairo AL-AHRAM in Arabic 18 Jul 90 p 6

[Editorial: "Levi Does Not Seek Peace"]

[Text] Israeli Foreign Minister David Levi has asked the United States to offer guarantees to Israel that it will oppose the establishment of a Palestinian state, will not put pressure on Israel to negotiate with the PLO, and that any peace conference will only discuss the Israeli plan for elections in the occupied territory. This demand exposes the extremism and inflexibility that characterize the Israeli Government's thinking. The Israeli foreign minister's demand means that Israel wants to impose conditions on the Arabs and wants the United States to help it accomplish this through force and influence. This gets eliminates the idea of negotiations from the beginning. Negotiations mean that the parties involved hold talks on the conditions set by each one; they mean that each party makes concessions to reach a compromise agreed upon by the various parties, even if the compromise does not fulfill all their aspirations.

David Levi's demand reflects an irrational wish on the part of Israel to impose all its conditions on the Palestinians and the Arabs. If the United States agrees to make these pledges to Israel, it will be evidence of its continued and complete bias in favor of Israel against the Palestinians and the Arabs. Israel and the United States should realize that if the Arabs agree to what Israel is asking, it will only mean their submission to Israel's will and control. This is irrational and illogical because the Arab nation and all its people will never accept such a thing. The balances of power and history are not in the interest of Israel. Israel and its leaders should try to become more reasonable and move without complexes toward a just peace instead of trying to impose conditions. There will be no stable peace that can guarantee Israel's existence unless it is a just peace that guarantees the existence of an independent Palestinian state within the borders set by the United Nations in 1948. The leaders of Israel should realize this before the present peace opportunities become dreams that might have been.

Asyut Reported Calm After 'Extremist' Incidents

PM1907150590 London AL-SHARQ AL-AWSAT in Arabic 18 Jul 90 p 2

[Unattributed report: "Security Sources Tells AL-SHARQ AL-AWSAT: Calm Returns To Asyut Governorate"]

[Excerpt] Cairo, AL-SHARQ AL-AWSAT—An authoritative security source has said that the situation in the town of Dayrut in Asyut Governorate is completely calm after the violent incidents which the town experienced from some extremist groups. The sources emphasized that the situation is now fully under control and that the extremists elements no longer have any opportunity of making a move.

In an exclusive statement to AL-SHARQ AL-AWSAT the source denied that a curfew has been imposed in Dayrut or any other town in Asyut Governorate, pointing out that there is full cooperation between the police organs and citizens, who were anxious to protect themselves and the Governorate from the extremist groups.

Major General Muhammad al-Fakharani, director of security in Asyut, reiterated his rejection of terrorism. He emphasized that he was not fighting ideas or opinions, because these are the first principles of democracy, indicating that Islam has nothing to do with extremism or extremists.

He pointed out that, when they confronted these incidents, the police did not intend to shed blood, but the first bullet was fired by the extremists, thus it was the police's duty to reply to them. And that resulted in three innocent people's being killed and five being wounded. [passage omitted]

Further on Informer's Murder

NC1907153790 Cairo MENA in Arabic 1425 GMT 19 Jul 90

[Text] Asyut, 19 Jul (MENA)—Major General Mahmud al-Fakhrani, director of the Asyut security department, has confirmed that the security forces have obtained important information about the people who killed the undercover police agent in Dayrut last night, using personal weapons and swords.

He said that the culprit who was detained in the car used in the incident following the crime confessed, and this has helped the criminal investigation department identify the perpetrators of this ugly incident.

Preliminary investigations have revealed that the perpetrators are members of extremist groups known for their extremist activities and they committed this crime to revenge their colleagues who were killed in the recent incidents in Dayrut.

The murdered undercover police agent, Farghali Talabah, is a member of the Dayrut security force and the father of seven children.

Libya

Kuwaiti Minister Delivers Letter to Al-Qadhdhafi

LD1907002390 Tripoli Voice of Greater Arab Homeland in Arabic 2315 GMT 18 Jul 90

[Text] The brother leader of the revolution received Brother Dhari 'Abdallah al-'Uthman, the minister of justice and legal affairs in sister Kuwait and personal envoy of the Amir of Kuwait, who handed him a written letter from Shaykh Jabir al-Ahmad Al Sabah.

Brother Dhari 'Abdallah al-'Uthman and his accompanying delegation arrived in Tripoli this evening for a visit to the Great Jamahiriyah. In a statement to JANA, Brother Dhari 'Abdallah al-'Uthman confirmed the depth of the fraternal relations between the Great Jamahiriyah and Kuwait. He said: My visit to the Great Jamahiriyah falls within the context of the continuing consultations on matters of common interest.

Leaves Tripoli 19 Jul

LD1907194190 Tripoli JANA in English 1622 GMT 19 Jul 90

[Text] Dhari 'Abdallah al-'Uthman the personal envoy of the amir of the State of Kuwait and the minister of justice and legal affairs in the State of Kuwait and his accompanying delegation left Tripoli this morning at the end of a visit to Great Jamahiriya.

Further Reportage on Visit by Syria's Khaddam

Khaddam Conveys Al-Asad Message

JN1807063090 Damascus Domestic Service in Arabic 0415 GMT 18 Jul 90

[Text] Tripoli—Vice President 'Abd-al-Halim Khaddam conveyed a message from President Hafiz al-Asad to Colonel Mu'ammar al-Qadhdhafi, leader of the 1 September Revolution, last night. The message deals with current developments in the Arab arena and bilateral relations. Col. al-Qadhdhafi asked him to convey a reply message to President Hafiz al-Asad.

Khaddam arrived in Tripoli last night on a short visit to the Libyan Arab Jamahiriyah. He was received at Tripoli International Airport by Major 'Abd-al-Salam Jallud, member of the 1 September Revolution, the acting charge d'affaires of the Syrian liaison office in Tripoli, and the office staff.

Khaddam Departs

LD1807015690 Tripoli Voice of Greater Arab Homeland in Arabic 2315 GMT 17 Jul 90

[Text] Brother 'Abd-al-Halim Khaddam, Syrian vice president, left Tripoli yesterday evening [17 July] after a visit to the Great Jamahiriyah.

Staff Major 'Abd-al-Salam Ahmad Jallud was at the forefront of those who saw off the brother Syrian vice president and his accompanying delegation.

Al-Qadhdhafi Continues Maghreb Contacts

LD1907164490 Tripoli JANA in Arabic 1545 GMT 19 Jul 90

[Text] Tripoli, 19 July (JANA)—A telephone contact was made between the brother leader of the revolution and President Chadli Bendjedid, president of the republic in fraternal Algeria, and President Zine El Abidine Ben Ali, president of the republic in fraternal Tunisia. This took place after the brother leader received Driss Basri, minister of interior and information and special envoy of King Hassan II, Morocco's sovereign.

Al-Qadhdhafi Speaks to Youth Campers

LD1907150490 Tripoli Voice of Greater Arab Homeland in Arabic 1130 GMT 19 Jul 90

[Excerpts] The brother leader of the revolution met today through closed circuit television members of the camps of youths of the great al-Fatih of the Great Jamhiriyah. [passage omitted]

During this meeting, the brother leader of the revolution talked about several social, political and pan-Arab

issues. He pointed out the necessity of building individual and pan-Arab force, turning to productive work, and shuning consumptive behavior. He also pointed out the necessity of believing in Arab unity, in which lie the radical changes to all our problems.

The brother leader of the revolution affirmed in his important speech that the people's authority is the only path which enables the masses to affirm themselves and rule themselves by themselves.

The brother leader of the revolution pointed out that the United States puts forth its candidacy now for becoming a god on earth because of the vacuum between the sky and the ground [as heard], affirming that the behavior of the United States and its statements have expressed this reality clearly.

The brother leader of the revolution pointed out the necessity of shunning brokerages, selling cigarettes, practicing charlatanism and atheism, and instead pointed out the necessity of turning to the sound building of the jamahiri society and to work and production, which will secure for us a happy future, will give us the force with which we will face the enemies, and through which we will build comprehensive Arab unity from the ocean to the gulf.

Mauritania

Border Clashes With Senegalese Forces Reported

AB1907212590 London BBC World Service in English 1709 GMT 19 Jul 90

[From the "Focus on Africa" program]

[Text] There have been fresh clashes on the border between Mauritania and Senegal. [Word indistinct] a series of border incidents involving farmers and security forces that led to the clashes last year and expulsion of thousands of people from Mauritania and Senegal, and increasing hostile relations between the two neighbors. But, perhaps surprising, reports of the latest clashes have come from Mauritania. Now, Sheba Kaye reports in this telex from Nouakchott.

[Begin studio announcer recording] There has been no official confirmation of the clashes, since, in general, the Mauritanian Government says nothing about incidents on the border between the two countries. However, informed sources say that the Armed Forces of Mauritania and Senegal exchanged rocket fire on Tuesday [17 July] this week. A farmer living in the border region told the BBC that tension mounted when a Mauritanian peasant lost a cow which, according to him, was taken by infiltrators coming from the Senegalese side of the border separating the two countries—a not uncommon occurence. According to this farmer, the Mauritanian peasant pointed a gun at the Senegalese and the Senegalese Armed Forces reacted by shelling a Mauritanian village known as (Bagdada). The Mauritanians responded with artillery fire on a locality near the town of Richard Toll in Senegal.

There have been no reports of casualities so far and sources say the situation is now relatively calm in the border area. These latest clashes come after a series of declarations in which each side has accused the other of being the cause of failure in OAU mediation efforts. However, neither Mauritania nor Senegal has the stomach, for the moment, to go to war. But, observers are concerned that repeated military clashes could lead to just that. Recently, there have been attacks on Mauritanian territory by armed men from Senegal. The attackers are alleged to be members of three organizations which have been formed in Dakar with the aim of overthrowing the regime of Colonel Maaouiya ould Sid 'Ahmed Tbya. According to the Senegalese, the members of these organizations are black Mauritanians who have been deported from their country. However, Mauritania says that the Senegalese who had been living in Mauritania were repatriated during last year's crisis, in which nationals of both countries were subjected to harsh treatment. [end recording]

Morocco

Hassan Receives UNITA Head, Kuwaiti Envoy

LD2007080790 Rabat Domestic Service in Arabic 0700 GMT 20 Jul 90

[Excerpts] His Majesty King Hassan II, may God grant him victory, received at the Royal Palace in Rabat yesterday evening the president of the National Union for the Total Independence of Angola [UNITA], Mr. Jonas Savimbi, who was accompanied by his close aides. [passage omitted]

After that, His Majesty King Hassan II, may God grant him victory, received the Kuwaiti minister of justice and legal affairs and special envoy of the amir of the State of Kuwait, Mr. Dhari 'Abdallah al-'Uthman, who was accompanied by his country's ambassador to Morocco. During this meeting, the Kuwaiti envoy conveyed to His Majesty King Hassan II a private message from the amir of the State of Kuwait.

Further on Italian Foreign Minister's Visit

Filali, De Michelis Begin Talks

LD1807155190 Rabat Domestic Service in Arabic 1300 GMT 18 Jul 90

[Text] In Rabat today Abdellatif Filali, minister of foreign affairs and cooperation, held talks with his Italian counterpart Gianni de Michelis, who is currently paying an official visit to Morocco which will continue until 19 July.

During this meeting, which took place in private, the two sides dealt with bilateral relations and ways of strengthening cooperation between the EEC and the Arab Maghreb Union, now that Italy is the current chairman of the EEC. They also talked about consolidating policy regarding the western Mediterranean. The talks also dealt with issues of the hour in light of the changes that have been taking place in the world and particularly what is going on in East Europe, the Middle East crisis, the Lebanese crisis, and the role played by Morocco in the three-man committee.

Afterwards, Abdellatif Filali and Gianni de Michelis chaired an expanded working session attended by members of the delegation accompanying de Michelis. During this meeting the two sides dealt with various issues which concern bilateral cooperation in the economic, cultural, and social fields. In addition to Italy's participation in (?restoration work) in Fes and Sala and the question of the Moroccan workers in Italy, issues discussed in particular were Italian participation in the construction of the (Mja'rah) dam and the projects relating to the energy units in al-Mohamedia and Tantan.

The Italian minister, accompanied by the escorting delegation, paid a visit to the mausoleum of King Mohamed V this morning.

De Michelis Holds Press Conference

LD1907070090 Rabat Domestic Service in Arabic 2300 GMT 18 Jul 90

[Excerpts] Italian Foreign Minister Gianni de Michelis held a press conference in Rabat this evening which was attended by representatives of the national and international media. [passage omitted]

The Italian official highlighted that his talks resulted in two important agreements, one of them relating to the financial field and the second concerning the backing and protection of investments. This is likely to give a new impetus to Moroccan-Italian bilateral relations.

He also dealt with the efforts being made to strengthen relations of cooperation between the EEC and the Arab Maghreb Union [AMU]. In this respect, he mentioned the expected meeting between the community ministers and their AMU conterparts.

The Italian foreign minister also pointed out the efforts being made at the level of consolidating relations between the Mediterranean region states, highlighting the fact that the concern of the European Community with East Europe does not prevent it from moving toward the development of its relations with the countries of the Mediterranean region, particularly those situated in the west of the Mediterranean Sea.

After this statement, Mr. Gianni de Michelis answered journalists' questions, which particularly focused on the issues of the Moroccan labor force in Italy and the efforts being made by the Italian Government to settle the situation of these Moroccan workers and the way in which Italy intends to contribute to the strengthening of investments in Morocco. In addition to this, the questions focussed on Italian interest in the Middle East issue, at this stage in partilcular, as Israel is putting various obstacles in front of any peaceful settlement in the region and the United States has frozen its dialogue with the PLO.

In reply to these questions, his excellency the minister emphasized the importance of the contribution Italy will make in the development of investments in Morocco and the efforts being made by his government to settle the situation of the Moroccan labor force in Italy.

Sudan

Iraqi Envoy Comments on Relations With Sudan

EA1807095890 Khartoum SUNA in English 1019 GMT 17 Jul 90

[Text] Khartoum, 17 July (SUNA)—Sudanese-Iraqi relations have witnessed tangible developments in the recent period, according to Iraqi ambassador to Sudan Tariq Muhammad Yahya, Tuesday. He said the two countries are looking forward to developing ties further, the daily "AL-SUDAN AL-HADITH" reported.

The ambassador said the recent Arab economic groupings come as a response to challenges facing Arab nation. He said the general secretariats of these groupings are co-ordinating among themselves as a prelude for integration in the various fields and the economy in particular.

The Iraqi official said the Israeli and imperialist threats to deter Iraq from possessing modern technology have met with total failure.

Iraq is today celebrating the 22nd anniversary of Tamuz (July) Revolution. Ambassador Tariq said the revolution came to power as a response to the state of deterioration in which Arab nation had lived after the June 1967 Arab-Israeli war. He said the Iraqi Revolution has been making great strides in achievement since that date.

Accord Reached With Libya on Media Exchanges

EA1807212090 Khartoum SUNA in Arabic 1008 GMT 18 Jul 90

[Text] Khartoum, 18 Jul (SUNA)—Sudan and Libya have agreed in the context of bilateral integration to exchange cultural and variety programs and programs marking national occasions to be broadcast directly by a group from each of the two countries. It has also been agreed to exchange both audio and visual news reviews weekly; to train broadcasters in each country; and to expedite the opening of a direct telegraphic line between SUNA and the Jamahiriyyah's news agency for the transmission of news. It has been agreed to distribute the newspapers and magazines issued in the two countries and to exchange cultural attaches.

Government Officials Comment on Garang Movement

Minister on 'Besieging' Movement

EA1807211090 Khartoum SUNA in Arabic 1010 GMT 18 Jul 90

[Text] Khartoum, 18 Jul (SUNA)—Staff Major General, retired, 'Uthman Muhammad Hasan, minister of state for defense, has said that the Salvation Revolution has succeeded in besieging Garang's movement politically and militarily. He told AL-QUWWAT AL-MUSALLAHAH that diplomatic initiatives resulting (?from) [words indistinct] depended on (?fully) exposing the facts to all the states sympathizing with the movement, building bridges of confidence and cooperation with those states so as to expose the true nature of Garang's movement and its savage and barbarous actions against the sons of the homeland aimed at aborting the constructive activities of the latter.

He went on to say that paying attention to the Armed Forces and providing for them materially and morally had enabled the soldiers to win great victories over Garang's movement. He praised the Armed Forces' efforts to defend the people, who had constituted a real support for the Armed Forces and were calling on them to achieve victory.

RCC's Arap Interviewed

PM1807101090 London AL-SHARQ AL-AWSAT in Arabic 17 Jul 90 90 p4

[Interview with Colonel Martin Mulwal Arap, member of the Sudanese National Salvation Revolution Command Council, by 'Izzat 'Uthman in Khartoum; date not given]

[Excerpts] ['Uthman] You have visited the United States. What was the purpose of the visit?

[Arap] The visit was at the invitation of the U.S. State Department's African affairs section and the office in charge of foreign aid for disasters and emergencies. It was part of the diplomatic activity between the two countries, particulary because the United States has, in its capacity as a superpower, shown great interest in the issue of peace in southern Sudan. My talks with the assistant secretary of state for African affairs, with international organizations and U.S. aid officials, and with others focused on three main issues of concern to the U.S. public and the Western public in general. They are the U.S. peace initiative, the second phase of the "lifeline" operation, and return of the evacuees to their areas of origin.

['Uthman] What about U.S. public opinion and the U.S. initiative?

[Arap] The U.S. side says that aid depends on the return of peace to Sudan, and it stresses the importance of the urgent restoration of peace and, consequently, stability and security in the South. I assured them that the Sudanese Government accepts the U.S. peace initiative. We also made some observations and asked the U.S. Administration to uphold the initiative and to work for its success. [passage omitted]

['Uthman] Colonel Arap, could you explain the "lifeline" operation to us?

[Arap] It is an operation to supply food to people who have suffered as a result of the war in areas under Sudanese Army control or the rebels' control. [passage omitted]

['Uthman] Some people believe that Israel still supports the Garang movement. What do you think?

[Arap] We can confirm that the Garang movement wants to send members to Israel for training at Israeli artillery and military institutes. Garang has also asked that places be allocated to his aides for training with the Israeli Air Force following the successive defeats suffered by the rebels in the various operations. I emphasize that we cannot remain silent about Israel's flagrant interference in our military affairs and desperate attempts to extend aid [to Garang].

['Uthman] It is rumored in political circles that large numbers of the Garang forces have surrendered to the Sudanese Army.

[Arap] Yes, indeed. Army camps and peaceful towns are receiving fleeing members of the Garang forces every day. They are contacting the government for the sake of peace. For the safety of those seeking peace, we are not disclosing any information about the extent of the contacts and the numbers involved.

['Uthman] How do you explain this development?

[Arab] It shows that the Garang movement is torn apart by sharp differences between a group that has accepted a mercenary and parasatic life with the enemies of the nation and those who have heeded the voice of reason and can see that peace is possible. Perhaps this will weaken Garang and prompt his movement to come to the negotiating table to urgently establish peace in the region. [passage omitted]

Al-Bashir Views Peace Talks

EA1807100290 Khartoum SUNA in English 0915 GMT 17 Jul 90

[Text] Khartoum, 17th July (SUNA)—Gen 'Umar al-Bashir, RCC [Revolution Command Council] chairman, has expressed optimism over a peaceful solution to the question of south. In an interview with "AL-SHARQ AL-AWSAT" (Middle East), Gen al-Bashir said a solution could be found for the south Sudan issue provided that rebels led by John Garang would sit for peace talks without pre-conditions. Gen al-Bashir said he believed that rebels were now convinced war would not lead them to any result.

Rebel leader John Garang has recently told Egyptian paper "AL-AHRAM" that he was ready for negotiations with the government on condition that all political questions in the country be tabled in the talks.

Bahrain

Kuwaiti Foreign Minister Arrives in Manama

On Gulf Tour

LD1807194490 Kuwait KUNA in English 1910 GMT 18 Jul 90

[Text] Manama, July 18 (KUNA)—Kuwaiti Deputy Premier and Foreign Minister Shaykh Sabah al-Ahmad al-Jabir Al Sabah Wednesday arrived here on the second leg of his current tour of the Gulf Cooperation Council [GCC] states which began with a visit to Saudi Arabia this afternoon.

He was received upon arrival by Bahraini Foreign Minister Shaykh Muhammad Ibn-Mubarak Al Khalifa and Kuwaiti ambassador here Faisal al-Haji.

Shaykh Sabah's GCC tour fell in line with a wide-scale Kuwaiti drive to explain the Kuwaiti point of view regarding the Iraqi complaint to the Arab League Tuesday against Kuwait.

The Kuwaiti official is carrying messages from His Highness the Amir Shaykh Jabir al-Ahmad to GCC leaders.

In Jeddah, Saudi Arabia, Shaykh Sabah met with King Fahd Bin-'Abd-al-'Aziz Al Sa'ud and handed him a written message from Shaykh Jabir, the SAUDI PRESS AGENCY said.

Saudi Crown Prince, Deputy Premier and chief of the National Guards Prince Abdallah Bin-'Abd-al-'Aziz attended the meeting, SPA added.

Delivers Letter to Amir

JN1807202690 Manama WAKH in Arabic 1950 GMT 18 Jul 90

[Excerpt] Manama, 18 Jul (WAKH)—Bahraini Amir Shaykh 'Isa Ibn-Salman Al Khalifah has received a letter from Kuwaiti Amir His Highness Shaykh Jabir al-Ahmad al-Jabir Al Sabah on bilateral relations and current developments in the region.

The letter was delivered by Shaykh Sabah al-Ahmad al-Jabir Al Sabah, Kuwaiti deputy prime minister and foreign minister, when the amir of Bahrain received him here this evening. [passage omitted]

Departs Manama 19 Jul

JN1907074890 Manama WAKH in Arabic 0700 GMT 19 Jul 90

[Excerpt] Manama, 19 Jul (WAKH)—Shaykh Sabah al-Ahmad al-Jabir Al Sabah, Kuwaiti deputy prime minister and foreign minister, left Manama this morning at the conclusion of a short visit to Bahrain as part of tour of the Gulf Cooperation Council states. [passage omitted]

Kuwait

Shaykh Al Sabah Concludes GCC Tour, Returns

LD1907203990 Kuwait KUNA in English 2002 GMT 19 Jul 90

[Text] Kuwait, July 19 (KUNA)—Deputy Premier and Foreign Minister Shaykh Sabah al-Ahmad Al Sabah returned here this evening from Oman winding up a tour of five Gulf Cooperation Council [GCC] members states.

During his tour, which started yesterday, Shaykh Sabah delivered messages from the amir of Kuwait to leaders of Saudi Arabia, Bahrain, Qatar, UAE and Oman on Kuwait's stance regarding the Iraqi accusations against Kuwait.

Meanwhile, two Kuwaiti envoys are currently on similar tours of Arab states to convey messages from the Amir of Kuwait on the subject. They are [the] minister of state for cabinet affairs, who is now in Djibouti after visiting Egypt and [the] minister of justice and legal affairs who is in Morocco after visiting Libya.

On return, Shaykh Sabah was received at the airport by Minister of State for Foreign Affairs Shaykh Nasir al-Ahmad, Foreign Undersecretary Sulayman Majid al-Shahin, Secretary General of the Council of Ministers 'Abd-al-'Aziz al-'Utaybi and senior Foreign Ministry officials.

Press Views Relations With Iraq, Gulf Region

LD2007093590 Kuwait KUNA in English 0807 GMT 20 Jul 90

[Text] Kuwait, July 20 (KUNA)—Local dailies Friday once more affirmed Kuwait's firm stance on key Arab causes and hoped that stability would be restored to the Arab Gulf region, which was ravaged by an eight-year war between Iraq and Iran. Commenting on the memo sent by Deputy Premier and Foreign Minister Shaykh Sabah al-Ahmed to Arab League Secretary General Chedli Klibi, daily "AL-WATAN" newspaper said in its front-page editorial, that the memo has set the record straight as far as relations with Iraq are concerned.

Iraq had sent a memo to the Arab League last Monday claiming that Kuwait was seeking to undermine Iraq's economy. The paper also related to the contents of the Kuwaiti response to the Iraqi complaint, in which it called for the formation of an Arab arbitration panel on the demarcation of borders between the two countries, expressed readiness to examine the Baghdad's proposal on establishing a fund for Arab aid.

AL-WATAN was of the opinion that the Gulf region will see a new era of stablity and cooperation, after years of war, during which Iraq presented priceless sacrifices.

But the daily affirmed in conclusion that "stability and cooperation require consultation and dialogue, not threats."

AL-'RAY AL-'AAM newspaper, meanwhile, hailed the government's suggestion that an Arab arbitration panel be set

up to tackle border demarcation between Kuwait and Iraq and said the proposal in itself was a testimony to Kuwait's strict observance of its national commitments.

The paper, for its part, proposed that the Kuwaiti suggestion be the nucleus for the formation of an Arab Court of Justice that would resolve such problems "among brethren."

Defending the country against the Iraqi charges the paper said in an editorial "it would be hard to count what Kuwait has offered to its sisters (Arab countries) in addition to the aid it extended to Third World countries and several international organizations in the past quarter of a century."

The paper also cited Kuwait's persistent efforts to defuse tensions between Arab states, (?and) stressed that Kuwait has (?always) acted on its faith that such inter-Arab disputes would only serve the interests of the [words indistinct].

AL-'RAY AL-'AAM expressed hope that the sudden Iraq-Kuwaiti crisis would remain contained, stressing that any dispute bebtween two Arab states is "definitely" an ephemeral one "because the factors that bind them together are greater than those that divide them."

For its part, daily "AL-ANBA" affirmed that Kuwait's sovereignty over its land is a sacred matter, which cannot be abused or threatened.

In its editorial, AL-ANBA noted that the border issue is settled as far as Kuwait is concerned and said that the issue can be referred to an Arab arbitration panel, as announced by Kuwait yesterday.

The daily said that Arab unity and solidarity are now required more than ever, adding that the Arab nation has enough problems and crises to deal with.

Affirming Kuwait's keeness on resolving Arab disputes, the paper said that Kuwait does not abandon its principles, or bow down to threats and blackmail.

Al Sabah Says GCC Summit on Iraq 'Premature'

LD2007114190 Kuwait KUNA in Arabic 1045 GMT 20 Jul 90

[Excerpt] Kuwait, 20 Jul (KUNA)—In a press statement that was published here today, the minister of state for foreign affairs, Nasir Muhammad al-Ahmad said that it was premature to call on the leaders of the Gulf Cooperation Council [GCC] member-states to hold an emergency summit in the light of the Iraqi memorandum containing Iraq's complaint against Kuwait.

The minister of state for foreign affairs was answering the question of the paper AL-RA'Y AL-'AMM about whether there was an intention to call on the GCC leaders to hold an emergency summit.

Shaykh Nasir said: This matter is premature and has not been discussed, and the envoys of His Highness the Amir are still touring the fraternal states to explain Kuwait's viewpoint on the Iraqi memorandum. [passage omitted]

Republic of Yemen

Soviet Minister Meets President, Supports Unity

JN1907124990 Sanaa Domestic Service in Arabic 1200 GMT 19 Jul 90

[Text] Brother Lieutenant General 'Ali 'Abdallah Salih, chairman of the Presidential Council, received at his office today Filimonov, Soviet minister of petroleum and gas industry. Filimonov conveyed the greetings and congratulations of President Mikhail Gorbachev and the Soviet leadership to the brother president and the Yemeni people on the occasion of establishing the Yemeni unity democratically. Filimonov asserted the Soviet leadership's support and backing for the Yemeni unity. During the meeting, they discussed relations and joint investment of petroleum between our country and the USSR.

The meeting was attended by brother Salih Abu-Bakr Bin-Husaynun, minister of petroleum and mineral resources, and the Soviet ambassador in Sanaa.

Salih on Domestic, Arab Issues, Saudi Ties

JN1807180290 Paris AL-YAWM AL-SABI' in Arabic 16 Jul 90 pp 8, 9

[Interview with 'Ali 'Abdallah Salih, chairman of the Presidential Council, by Bilal al-Hasan, Faysal Jallul, and 'Abd-al-Wahhab al-Rawhani, in Sanaa; date not given]

[Text] [AL-YAWM AL-SABI'] We have met with many party representatives in Yemen. What is your assessment of this new experiment in the country?

[Salih] Up to now, the number of parties declaring themselves is 18, and might become 20 within the next few days. What is important regarding the issue of democracy is that everyone should understand how to practice democracy and interact with it. Democracy is a way of conduct and an achievement. We do not care how many parties we have; because some of them are a mere illusion—no more than names. What is more important, however, is that parties should practice democracy within their institutions, and criticism should not be destructive but constructive and aimed at reform. It is in this context that we understand and accept party activity.

[AL-YAWM AL-SABI'] Mr. President: "The Socialist Party" is now moving toward the ideology of socialist democracy. What do you say about the ideology of "the General People's Congress" at this stage?

[Salih] The General People's Congress does not have a new ideology. Its approach was defined in the national charter and the political action program, to which, naturally, some amendments will be introduced in line with developments in Yemen.

[AL-YAWM AL-SABI'] Mr. President: There are Israeli threats to more than one Arab country. We feel there is a danger threatening Yemen, especially as regards security of the Bab el Mandeb. What do you think of this?

[Salih] I believe no single Arab country is safe from Israeli threats. Israel is a danger to all Arab countries without exception. Security of the Red Sea region is the responsibility of all littoral states. We are not the only people in the region. In addition, we are interested in the situation of the African Horn, and are exerting mediation efforts between Ethiopia and the Eritreans to establish peace and stability in the region. The results so far have been good.

[AL-YAWM AL-SABI'] What about the Israeli preparations to strike at Iraq?

[Salih] I do not believe that from now on Israel will dare to strike at fraternal Iraq. Thanks to advanced military technology, Iraq has achieved military strategic parity with the Zionist enemy. This would make Israel think a thousand times before committing any aggression against fraternal Iraq.

[AL-YAWM AL-SABI'] Mr. President: The public language between Yemen and Saudi Arabia is satisfactory. However, gossip is heard everywhere that Saudi Arabia fears [Yemeni] unity, especially regarding the border issue.

[Salih] The fraternal Kingdom of Saudi Arabia announced right from the start its support and blessing of unity. The latest statement to this effect was made by King Fahd, custodian of the two holy mosques, to a Saudi paper in which he renewed the Kingdom's support for the establishment of unity and the Republic of Yemen. As a nascent, young state, which has inherited a bundle of problems, especially economic ones, we in Yemen have been eager not to cause concern to anyone. We have our own worries and ambitions to restructure the Yemeni home.

If the issue is that of borders, the statement of the new government that was submitted to the Council of Representatives was clear on this. It asserted eagerness to resolve this issue through peaceful dialogue, negotiations, and fraternal understanding within the context of legal and historical rights. This is the appropriate method to deal with this and other issues among brothers. We do not believe in the use of force to settle any dispute or problem among brothers.

[AL-YAWM AL-SABI'] What about the situation on the borders with Oman?

[Salih] There are no problems whatsoever with Oman. We are currently in the process of finalizing a border agreement with Oman.

By the way, there is an important issue regarding borders between Arab states. We must approach this issue from a mature pan-Arab perspective. We should not become so preoccupied with this issue that we get distracted and fail to address serious issues facing the Arab nation—issues that need to be confronted decisively. People are getting killed every day in the occupied Arab territories. These people are being exposed to the severest forms of torture and repression at the hands of Zionists. These people need financial and moral support. Moreover, they also need strong pan-Arab backing. Furthermore, there are threats and dangers that potentially jeopardize pan-Arab security. All of these issues must be given precedence. I do not believe that borders can be a problem in inter-Arab ties when there is goodwill and sincere pan-Arab sentiments.

[AL-YAWM AL-SABI'] The United States is stepping up its anti-Arab hostility. Are you satisfied with the Arab reply to the United States as spelled out at the Baghdad summit? And how far can the United States go in its hostility toward the Arabs?

[Salih] The recent Baghdad summit resolutions are better than previous summit resolutions. The summit statement embodied an Arab position that is better than previous positions. The United States has vested interests in the region, and particularly with the Arabs. I do not believe that the United States would be ready to sacrifice its interests just to please Israel. In general, the Arabs must produce further clear stands and also exploit all capabilities and resources so that the Arab nation can face up to all challenges.

[AL-YAWM AL-SABI'] Brother president, are you satisfied with what the Arab Cooperation Council [ACC] has accomplished so far?

[Salih] Yes, I am satisfied with what the ACC has accomplished so far. There is room for a multifaceted cooperation and integration among ACC member states. The ACC is making careful and objective steps to achieve its objectives and realize the aspirations of its peoples.

[AL-YAWM AL-SABI'] What is the most significant step you think has been taken within the context of unity?

[Salih] The step regarding the merger of the armed and security forces and the redeployment of military units in various locations in the Yemeni homeland. This step was the mainstay and the real foundation of the edifice of unity. It is the real guarantee for the entrenchment and maintenance of this unity.

[AL-YAWM AL-SABI'] What does the brother president mean when he describes Aden as the economic capital?

[Salih] Aden is an important sea outlet. It has a good historical and international reputation. We are now in the process of turning Aden into a free zone to enhance its role in serving the national economy. And in view of its special status, Aden will be the economic capital of the Republic of Yemen.

[AL-YAWM AL-SABI'] Brother President, what about the treaties signed between each part of the homeland and other states? One more thing, what about the facilities that each part of the homeland provides to other states?

[Salih] In the document proclaiming the birth of the new state, we affirmed the commitment of the Republic of Yemen to all treaties and agreements signed with fraternal and friendly states.

[AL-YAWM AL-SABI'] What about the Palestinian part of the homeland?

[Salih] The Palestinians have a special status in the hearts of Yemenis, who are sympathetic to the Palestine question. They have always been ready to devote their modest capabilities and resources to efforts to vindicate the cause of the Palestinian Arab people. I believe that the Palestinians in Yemen feel this. They also feel that they are living in their homeland among their kinsfolk and tribes.

By the way, we, in consultation with brothers, are currently launching a campaign to make every Arab oil-producing state donate 50 cents for every barrel of oil it produces in support of the Palestine cause and the sweeping intifadah being staged by the Palestinian Arab people to help them achieve their objectives and establish their independent state on their national soil under the PLO, their sole legitimate representative.

Tribal Leader on Unity, Muslims, Southerners

JN1907140690 Paris AL-YAWM AL-SABI' in Arabic 16 Jul 90 p 15

[Interview with Sinan Abu-al-Luhum, member of the Yemeni Advisory Council and "one of the prominent leaders of Yemeni tribes who has played a major role in steering his country's policy at all levels," by unidentified correspondent in Sanaa; date not given]

[Excerpts] [passage omitted] [AL-YAWM AL-SABI'] Some people have raised objections to an article in the Constitution that specifies that the Shari'a [Islamic law] is a basic source of legislation. They want it to be the main source of all laws. Among those is Shaykh al-Zindani and Shaykh Husayn Bin-'Abdallah al-Ahmar.

[Abu-al-Luhum] What is the difference between the main source and a basic source? They are one and the same. Some individuals do not have a sense of responsibility. Besides, they are not scholars. The name "Muslim Brotherhood" is illogical. We are Muslims; they are "Muslim Brotherhood." How can that be? We all worship God, and each one of us has his own views. Therefore, we should seek assistance from religious scholars, those who possess knowledge, so as to discuss the matter with them and ask them to give their opinion. I know that the majority of the "Muslim Brotherhood" have worked with us throughout the various stages of unity. Therefore, some words and statements attributed to them will not change this fact. No one is infallible. Besides, this is not an important issue because unity will proceed, God willing. Personally, I have no objections to the Constitution. Raising objections is the right of the parliament-elect, which follows the transitional stage; it is the body that can amend the Constitution. We respect Shaykh 'Abdallah Bin-Husayn al-Ahmar and consider him one of the prominent Yemeni figures. All that I have heard him say has been for unity. If there are a few remarks here and there, we should not harp on them. The Constitution was drawn up in 1981 to unite, and not to divide us. Of course, it was drawn up under certain circumstances.

Here, I would like to point out that the brothers who come from the south take pride in Islam and cherish its ideals. Moreover, they have a good logic and feelings. I have never heard them say a vituperative word. You remember three years ago when you interviewed me, I said at the time: Let them come and we will welcome them wholeheartedly provided that unity is achieved. Many people criticized me for saying this. Now they know that I was right. Yesterday, I heard Prime Minister Haydar abu-Bakr al-'Attas talking about national celebrations: He mentioned September, October, al-Adha, al-Fitr, the Prophet's Birthday, the Prophet's Ascension, etc. The southerners have strong religious feelings, and many of them come from well-known religious families. Al-'Attas, for instance, comes from an extended religious family in Hadramawt. Also, ['Ali Salim] al-Bid, his brothers, father, and relatives, are all scholars. As for communism, it came as a sudden mutation encompassing 65 percent of the globe. So, why should we harp on this issue? Gorbachev paved the way for them [not further specified] and for all, and we are glad. [passage omitted]

[AL-YAWM AL-SABI'] Do you think Yemen is threatened by Israel?

[Abu-al-Luhum] I do not care about an Israeli threat. We should not be afraid of Israel. We are 150 million Arabs; yet we watch Palestinian children who are fighting Israel and who are not afraid of it. We should stop saying: the United States, the United States. We know our enemy, so let us face and beat this enemy. Should we fail to do it, however, the children will be demonstrating the Arab concept of bravery and manliness. This is what the intifadah is doing.

Assembly Issues Statement on Kuwait, UAE

JN1907175390 Baghdad INA in Arabic 1615 GMT 19 Jul 90

[Text] Baghdad, 19 Jul (INA)—The National Assembly has called on the representatives of the Arab people and on Arab nation parliamentarians to assume their full role in raising the word of the Arab nation and uprooting all the weak stances of some Gulf rulers who have begun a game detrimental to Iraq and the Arab nation. In a statement issued today on the new oil policies adopted by the rulers of the State of Kuwait and the United Arab Emirates [UAE] to harm Iraq and the Arab nation, the Assembly says that the representatives of the Iraqi people in the National Assembly consider the speech delivered by President Saddam Husayn on the 22d anniversary of the great July Revolution a vivid and honest expression of what is in the mind of all the Iraqi people and all good people in the Arab nation. The following is the text of the statement:

In the name of God, the Merciful, the Compassionate. You are the best of peoples, evolved for mankind, enjoining what is right and forbidding what is wrong. [Koranic verse]

O great Arab people, O honorable representatives of the Arab people: The Arab nation is being exposed to a big conspiracy targeting its sovereignty, security, and dignity. Among the various chapters of this conspiracy was the eight-year war, which was the most serious. In this war, the glorious Iraqis bravely defended the expansionist aggression against its territory, principles, and values and achieved the most splendid victory in the contemporary history of the nation—a victory that regained the nation's glories, strengthened confidence in its capabilities, and saved it from humiliation, shame, and destruction.

After Iraq's victory in the defense of the Arab nation on its eastern flank and after the failure of the military option, thanks to the great sacrifices offered by the Iraqis for the sake of the Arab nation's high status and dignity, the imperialist and Zionist quarters adopted new methods to reach the same objectives raised by these circles during the war, that is, stopping the march of development and scientific and cultural progress in Iraq and aborting the pan-Arab policy adopted in the recent Baghdad summit to unite Arab ranks and confront Zionism and its aggressive and expansionist schemes against the Arab nation, including Jewish immigration to the occupied territory. The imperialist and Zionist quarters followed the method of interference in internal affairs, resorted to the media to tarnish Iraq's reputation, and launched direct and indirect threats in preparation for aggression by the Zionist entity. This was countered by the distinguished and firm stance announced by leader President Saddam Husayn, thereby expressing the conscience of the people and the nation in responding to any aggression in the appropriate manner.

It is regrettable that during this stage of the conspiracy against Iraq, the rulers of the states of Kuwait and the UAE used a new "conspiratorial" method by reducing oil prices in pursuit of a conspiratorial oil policy that is contrary to the Arab nation's interest: They raised their countries' oil production quotas agreed upon in OPEC. This certainly resulted in a drop in oil prices on the world market and in increased American oil reserves. This will make the United States control the world oil market unilaterally and build a big strategic reserve through which it can create problems, wars, and sedition and encompass the region in its aggressive policy against the Arabs. On the other hand, the oil producers' adherence to the set quotas will increase oil prices, result in economic benefits for these countries and the Arab countries, and help them maintain their oil reserves.

President Saddam Husayn's speech on the 22d anniversary of the glorious July Revolution clearly and frankly revealed the dimensions of this plot, its connections, and the services it renders to the Zionist and imperialist circles. The president put the facts to the Arab nation to make it aware of the service that the rulers of certain Arab regimes are doing to Zionism and of their ingratitude toward their Arab brothers.

We, the Iraqi people's representatives in the National Assembly, consider President Saddam Husayn's speech a living and true expression of the conscience of the Iraqi people and all the good Arabs because the slump in oil prices caused losses to the Arab nation between 1981 and 1990 in the amount of $500 billion, of which Iraq's loss was $89 billion. Had the Arabs not lost this great amount of money and instead had spent half of it on pan-Arab development and assisting poor Arab states, we would have realized tremendous progress, made poor Arabs happy, and increased the Arab nation's strength, prosperity, and advancement.

Moreover, the new oil policy of the Kuwaiti and UAE rulers has severely harmed struggling Iraq, which sacrificed rivers of blood to defend its dignity, freedom, and sovereignty, and the Arab nation's dignity, sovereignty, and security. They rewarded Iraq by stabbing it in the back with a poisoned dagger at a time when it is confronting foreign enemies in order to spare the Arab nation further stabs. To undertake such methods at this time means precipitating a new kind of war against Iraq.

While placing before the representatives of the Arab people these facts, which are part of the challenges that are confronting the Arab nation to weaken and subjugate it, the Iraqi National Assembly members trust and hope that the Arab nation's parliamentarians will play an important, pioneering role in promoting the Arab nation's voice and will root out the weak stances of some Gulf rulers who have started this game that harms Iraq and the Arab nation. We look forward to the Arab people's representatives adopting positions commensurate with the seriousness of this grand conspiracy; namely, bringing pressure to bear by all available means on the rulers of Kuwait and the UAE to make them

desist from this policy, which is hostile to the Arab nation's interests, and get them to return to Arab ranks so as to realize the Arab nation's sublime aims of unity and security. May God grant us success.

[Signed] The Iraqi National Assembly

Paper Criticizes Kuwait, UAE Oil Policy

JN2007100690 Baghdad INA in Arabic 0815 GMT 20 Jul 90

[Text] Baghdad, 20 Jul (INA)—The newspaper AL-QADISIYAH has reported that when al-Faw was occupied the Kuwaitis heard certain people telling them: "Now we are neighbors." This talk was accompanied by threats and acts of aggression and sabotage inside Kuwait that only made its government more and more afraid.

In an editorial entitled "This is How Kuwait and the United Arab Emirates [UAE] Collaborated Against the Life of the Iraqis," the paper adds: What was Iraq's position? The blood of over 52,000 glorious and virtuous Iraqi martyrs was spilled on the ground at al-Faw until it was liberated and until it deserved the name given to it by our leader: "The city of sacrifice and the gate to great victory." We deployed our missiles, warplanes, and troops on a historic day, which we called "Kuwait's Day," and lost 1,500 martyrs, not to mention the huge cost of the battle, to protect Kuwait's independence, security, and dignity.

The paper says: We ask what did the rulers of Kuwait do? Our financial situation was difficult then because of our burdens, the high cost of the war, and our grave oil situation. However, the Kuwaiti Government came out with what it called "generous aid" and provided a meager sum of money, which is not even worth mentioning in comparison with the great sacrifices made by the Iraqis to defend Kuwait's security and uphold its "very generous" government in dealing with its critical national and pan-Arab issues.

We knew full well that the battle to liberate al-Faw was our responsibility in the first place. This is what happened when the glorious brave men, led by the great, courageous leader Saddam Husayn, took to the field to restore the beloved land of al-Faw to the motherland. However, we took into account that pan-Arab responsibility required a different position from our brothers in the Arabian Gulf states, who must have realized that we were also defending their countries, dignity, and sovereignty.

But, alas, what a difference there was between our expectations and the actual practices of some people who have exhibited no feeling of national responsibility toward their countries, never mind the idea that they were ready in any way to do anything serious and concrete, or with good and sincere intentions, for the pan-Arab cause and its goals, values, and responsibilities.

The paper adds: The fact that Iraq was preoccupied with the war led to a drop in its oil production and harmed its national economy after the flow of our oil through Syria was halted and after the export of oil through the Arabian Gulf was stopped. Meanwhile, Kuwait and the UAE took advantage of this situation and increased their oil output at the expense of Iraq's already small quota. To make its extortion policy even worse, the Kuwaiti Government sold Iraqi oil outside its agreed upon quota and made large profits. The same thing can be said at the same rate and within the same context about the UAE.

Were those "two Arab countries" shouldering their pan-Arab responsibility toward this situation in all its dimensions, a situation that needs no explanation for anyone to differentiate between the good and the evil deeds?

In answer to certain lies we have heard, we ask: What have Kuwait and the UAE offered to Iraq that they want us to consider as loans? Does pan-Arab duty and logic agree with such a painful condition?

We frankly declare that what Kuwait and the UAE offered us did not pay for the needs of a single battle fought by our Armed Forces in defense of the Arab nation and its existence and dignity. But, as for the "loans" they ask to be repaid, they in fact constitute a very small amount compared with the huge profits they made as a result of the drop in Iraq's oil production during the war.

The way in which the Kuwaiti rulers "rewarded" the great Iraqi people in return for their heroic defense and sacrifices clearly reveals the premeditated and planned intentions and objectives to continue to plot some kind of aggression against Iraqi interests, rights, economy, and resources, and especially against their ability to face the nation's enemies, which include the Zionists, the imperialists, and others—which the rulers of Kuwait and the UAE know very well.

Such a policy, which cloaks a large degree of hatred against Iraq's progress, reveals the intention to exhaust our economy at a time when we must face many financial obligations imposed by the eight-year war, whether those related to the repayment of foreign debts or those needed in the field of development and directing domestic life.

After all of that, do they want us to remain silent or hold consultations? Who took the initiative to negotiate and warn against the policy followed by the rulers of Kuwait and the UAE many times? Who wanted to avert all of this but was only met with extreme injustice, a lack of pan-Arab responsibility, and even harm to Iraq and its supreme economic and pan-Arab interest?

We say that, in dealing with the rulers of Kuwait and the UAE and the harm inflicted on Iraq, Iraq has been extremely patient. But revealing the facts has now become a national and pan-Arab duty that must be fulfilled irrespective of all circumstances and claims. If frank talk and revealing the facts about what has taken

place is not enough to make the wrongdoers return to the right path, then action will be able to make even a stone understand.

Planning Minister Views Production, Population

JN1907111490 Baghdad INA in English 0950 GMT 19 Jul 90

[Text] Baghdad, July 19, INA—Iraqi Planning Minister Samal Majid Faraj said volume of national income in Iraq increased during the years of the July 17-30 Revolution to 17,390 million dinars during the year 1989 registering a growth percentage of 15.7 against that of 1968.

In a statement to INA, the minister said that the average share of the individual from the national income increased to 991 dinars in 1989 with an annual growth percentage of 12 percent against 92 dinars in 1968.

The minister further said that Iraq, during the years of the 17th July Revolution witnessed a comprehensive development during which great accomplishments were realized in various social and economic aspects.

The minister further added that essential changes that affected the Iraqi economy during the period from 1968 to 1989 were the result of oil nationalization which contributed to freeing the oil wealth from the domination of foreign companies in addition to the international variables that affected oil prices.

In the field of local production, the minister said that the gross production increased from 1035 million dinars during the year 1968 to 19,745 million dinars in 1989.

He further explained that the average share of the individual from local production increased to 1123 dinars in 1989 with an annual growth estimated at 11.4 against 117 dinars in 1968.

The minister further said that value of crude oil production increased to 4920 million dinars in 1989 against 245 million dinars in 1968 registering an annual increase of 13.5 percent.

He further said that the value of the production of the convertible industry increased from 267 million dinars in 1968 to 4736 million dinars in 1989.

The Iraqi planning minister further said that population of Iraq increased to 17,428,260 in 1989 against 8,599,018 in 1968 and that during the same period the volume of manpower in Iraq increased from 4,292,355 in 1968 to 8,962,526 in 1989 registering an annual growth average of 3.5 percent.

The minister stressed that big investments in the socialist sector played a prominent role in the growth of the production of this sector because Iraqi economy was in need of building its infrastructure systems during the previous period.

He said that value of production in the communication and transport sector increased from 111 million dinars in 1968 to 2196 million dinars in 1989.

Trade Minister Leaves for Amman ACC Meetings

JN1807114090 Baghdad INA in Arabic 0800 GMT 18 Jul 90

[Excerpt] Baghdad, 18 Jul (INA)—Trade Minister Muhammad Mahdi Salih left for Amman today heading a delegation to the third meeting of the trade, industry, and supply ministers of the Arab Cooperation Council [ACC] scheduled to begin there tomorrow, Thursday. [passage omitted]

Arens Leaving 'Tonight' for U.S. To Meet Cheney

TA1907183090 Jerusalem Television Service in Hebrew 1800 GMT 19 Jul 90

[Text] It has been learned this evening that Defense Minister Moshe Arens will leave tonight for the United States and will meet Defense Secretary Richard Cheney tomorrow. This was reported by our military correspondent Moshe Shlonsky.

The minister's assistant had said that when Arens assumed his office it was agreed that the two ministers would meet shortly; after coordination, the meeting was slated for tomorrow. In the meeting, Minister Arens will discuss various defense issues on the agenda of both countries at this time.

U.S. Postpones Defense Talks at 'Last Minute'

TA2007093190 Jerusalem Domestic Service in Hebrew 0900 GMT 20 Jul 90

[Text] The U.S. Administration at the last minute postponed the annual talks with Israeli representatives on joint defense plans, which were to start next week. Washington correspondents say it is yet another attempt to pressure Israel to begin negotiations with the Palestinians. It was pointed out that the U.S. postponement came as a complete surprise to Israeli representatives in Washington.

The postponement is considered even more surprising in view of Defense Minister Arens' expected arrival in Washington at the invitation of Defense Secretary Richard Cheney. The correspondents cannot explain the apparent contradiction between the two events.

Political sources in Jerusalem told our correspondent Ze'ev Kohen this morning that the Washington reports about the postponement of the talks are part of U.S. pressure on Israel on the Palestinian issue.

Jerusalem believes that the postponement of the security talks are due to technical reasons since the Americans have not yet finalized the proposed new aid package for Israel.

In any case, Alignment Knesset Member Moshe Shahal is presenting an urgent motion on the issue saying it is additional proof of the tension between Israel and the United States as a result of the political stalemate brought about by the Shamir government.

Shamir Affirms Peace in Messages to Iraq, Jordan

TA2007053290 Tel Aviv HADASHOT in Hebrew 20 Jul 90 p 2

[Report by Shmu'el Tal and Ilan Kfir]

[Excerpt] [passage omitted] Israel has recently sent messages to Iraqi President Saddam Husayn and to Jordan's King Husayn via third party contacts and the mediation of Egyptian President Husni Mubarak. Israel explained unequivocally that it has no bellicose intentions; on the contrary, its hand is outstretched in peace. At the same time, Prime Minister Yitzhaq Shamir pointed out that Israel is well prepared for any attempt on the part of the Iraqi president to carry out a surprise attack or to declare war on Israel. In contacts with U.S. figures and in messages he relayed, Shamir pointed out that Israel is closely monitoring Iraq's military procurement efforts.

In a message to King Husayn, Shamir expressed his surprise at the king's statements alleging that his kingdom is in danger from Israel. [passage omitted]

Shamir on EC Ministers' Visit, Al-Asad, Husayn

TA1907190990 Jerusalem Television Service in Hebrew 1800 GMT 19 Jul 90

[Interview with Prime Minister Yitzhaq Shamir by political correspondent 'Imanu'el Halperin; this evening, in the studio—videorecorded]

[Text] [Halperin] Will Israel present new positions in the meeting with the three European foreign ministers that will be held at the beginning of next week?

[Shamir] They will be the guests of the foreign minister. This will be his first political meeting with visitors from abroad. He will certainly explain our position on relations with Europe to them. I can only say that in my opinion we must significantly strengthen and tighten our ties with Europe, which today are at a stage of growth and development. We have numerous problems with Europe. We must try to explain, soothe, and tighten ties.

[Halperin] Is it our political aim, with Europe as with the United States, to reach a conclusion that we agree to disagree with them?

[Shamir] There is a large number of issues on which we disagree, and there always were. The problem is how to maintain good relations despite the disagreements.

[Halperin] Concerning the remarks President al-Asad has recently made in Cairo, do you see them as a sort of breakthrough on the part of Syria after 42 years of refusing to talk about peace?

[Shamir] This is not a breakthrough as yet, but there is a slight change, at least in the sound of things, the tone of voice. This seems to be a response to things I said several weeks ago, that we are willing to negotiate with the Syrian leader, as with all other Arab leaders, about peace without preconditions. He expressed a willingness to hold peace negotiations, but he made a small addition that he is willing to hold the negotiations with preconditions which are very severe.

[Halperin] Mr. Prime Minister, do you share the concern of King Husayn that the area might deteriorate into war?

[Shamir] I hope he is not right. It seems that King Husayn is feeling bad, has some sort of melancholy, pessimism. I hope he is wrong. Using logic and common sense I see no real reasons for war or violence in our region.

Shamir Denies Preventing Entry at Jordan Bridges

TA1907153590 Jerusalem Domestic Service in Hebrew 1500 GMT 19 Jul 90

[Text] Jordan has accused Israel of obstructing the passage through the Jordan bridges and of reducing the number of people allowed to enter its territory in recent days. The commander of the Jordanian unit in charge of the bridges said that, in the past week, Israel permitted the entry of less than 13,000 persons, while the agreed on quota is more than 22,000. This has caused long lines on the other side of the river.

Israel has not responded to the charges so far, although the prime minister has just rejected Jordan's claims, saying that Israel does not have a deliberate policy of preventing entry via the bridges.

As for Syria, the prime minister said that President al-Asad's remarks do not constitute a breakthrough, although their tone and manner denote a certain change. He said that the Syrian president had presented very tough preconditions for negotiations. The prime minister was addressing a convention of rabbis of the National Religious Movement. His remarks were reported by our correspondent Ze'ev Kohen.

Shevardnadze Says Jewish Emigration To Continue

TA1907174390 Jerusalem Domestic Service in English 1700 GMT 19 Jul 90

[Text] Soviet Foreign Minister Eduard Shevardnadze says Moscow will not block Soviet Jewish emigration to Israel. He was talking to an Israeli reporter from the HADASHOT newspaper in Paris.

Dinitz, Poland's Mazowiecki Discuss Relations

TA2007091590 Tel Aviv HA'ARETZ in Hebrew 20 Jul 90 p A2

["Exclusive" report by correspondent in Scandinavia Eliyahu Zehavi]

[Text] Copenhagen—Jewish Agency Chairman Simha Dinitz yesterday inaugurated the Jewish Agency's offices in Warsaw, where the Agency has had no office since World War II.

During the visit, Dinitz met with Polish Prime Minister Tadeusz Mazowiecki with whom he discussed relations between the Jewish and the Polish peoples as well as questions pertaining to the transit of Jewish immigrants through Warsaw's airport.

Mazowiecki promised that the Polish Government will fight the manifestations of anti-Semitism in Poland. He further said that Poland would like to encourage Jewish financiers to invest in its economy. Israeli Ambassador to Warsaw Mordekhay Paltzur was also present at the meeting.

Mr. Dinitz also met with several Polish Cabinet ministers. During the visit, Dinitz was informed that the Polish Catholic Church is preparing a "pastoral epistle" against anti-Semitism that will be distributed in all Poland's churches.

Shomron Interviewed on Iraqi, Syrian Threats

TA1907183390 Jerusalem Television Service in Arabic 1600 GMT 19 Jul 90

[Interview with Lieutenant General Dan Shomron, chief of the General Staff, by Shlomo Ganor and Dani Levi, on the weekly "Meeting" program, on 18 July, in Hebrew with Arabic subtitles—recorded]

[Excerpts] [passage omitted] [Ganor] Not a day goes by without Iraq's president issuing threats to Israel. What motivates Saddam Husayn to create an atmosphere of war? Does Israel have the deterrent capability to respond to Baghdad's threats?

[Shomron] The threats reflect a struggle inside the Arab world over the road to take and over leadership. Egypt represents one such way, through the peace process, with Mubarak as the leader; Saddam Husayn takes the belligerent and militant way in his aspiration to lead the Arab world. Also, there is an expression here of another issue. Because Saddam Husayn is busy building and obtaining technologies for weapons of mass destruction, naturally he fears retaliation. That is why his threats incorporate some degree of fear into his ostensibly aggressive threats. I would, nonetheless, like to give some advice to Iraq's neighboring countries, including those in the Gulf. Iraq's threat to these countries is far greater than it is to Israel. It is a threat to the whole region. The Iraqi president will attack countries that cannot provide answers, that have no defensive capability before he will attack Israel—just as he attacked Iran in 1980, and as he has threatened, and we must pay close attention to this, the petroleum-exporting Gulf countries. He has said that he would take effective measures against them if they continue to damage his economic interests.

Israel has various replies to the Iraqi threat. I hope and believe that Saddam Husayn is well aware of this, and that is why he has good reasons to avoid implementing the kind of threats he is occasionally making; recently quite often.

[Levi] Do you believe that the Arrow project provides a good reply to Iraqi missiles that could, in due time, be launched against us when Saddam Husayn so chooses?

[Shomron] As I said before, Israel has various replies. The Arrow has a potential of becoming perhaps the best missile of its kind in the world against surface-to-surface missiles when its development is finished. We definitely view it as a good weapons system.

[Levi] As its development will only be over in five years, does the defense establishment intend to purchase the available Patriot missiles?

[Shomron] I would most certainly not like to hold the discussion on the Army's procurement here on television. I can only conclude by saying that we have diverse responses, and the Arrow, once it is developed, will be very good, and I believe will be up to our standard.

[Levi] Do the Patriot and Arrow systems complement each other in your view?

[Shomron] I do not want to discuss the issue of the IDF [Israel Defense Force] procurement plans for the next few years.

[Ganor] Mr. Chief of Staff, in view of the declarations made last week in Alexandria by the Syrian president that he allegedly chooses the path of peace and is willing to join the political process, do you actually detect a change in the Syrian position, or is this the same old Syria—a threat to Israel?

[Shomron] I must say that I have not detected a substantial change in remarks made by the Syrian president since 1973. He is speaking about an international conference, a technical coercive conference, which in fact begins with conclusions prepared in advance, and will determine the stages and the timetable, but with dangerous things, as al-Asad wishes to see things. He has been making similar statements since 1973. At the same time, I would like to say that so far Syria still maintains the policy of what it calls strategic parity, or in other words—preparing the military option. I would be very glad to hear al-Asad say he is willing to come to the negotiating table and abandon the path of force he has been pursuing so far.

[Levi] Is this a mere tactical step?

[Shomron] I hope these tactics develop into a strategy. At this stage, he has said nothing new or different than what he has been saying since 1973.

[Ganor] Is the new Cairo-Damascus axis, developing before our eyes, preferable to others?

[Shomron] As I said before, I definitely see Mubarak heading a certain path in the Middle East, a path of processes, or the continuation of the peace process. I believe this link between Syria and Egypt is, primarily, against Iraq. Nevertheless, even if this is just a beginning, this link could possibly, in the future, yield fruit that could be important from our viewpoint.

[Ganor] Meaning that you are not dismissing the possibility of the revival of an eastern front against Israel?

[Shomron] Look, King Husayn often says that the current situation in the Middle East is close to what it was on the eve of the 1967 war. In 1967, the Arab states, some of them at least, made a mistake in their assessments of the situation and believed they could, through military force, beat Israel. A coalition was formed. I hope and believe that today the Arab states will not make the same mistake again.

[Ganor] Seeing as you have mentioned this, in 1967 Iraq sent troops to Jordan and Syria. Is it possible we will witness the return of Iraqi forces to Jordan and Syria?

[Shomron] As I said, Israel is strong. It has happened in the past that the Arab countries mistakenly thought they had the ability to win a war against Israel. When they thought this, they formed a coalition that included Jordanian and Iraqi forces. I hope we will not witness such a bad mistake again.

[Ganor] Is this a red line?

[Shomron] I would not like to talk about red lines, but I would certainly say, for the benefit of the whole region, that I hope the Arabs will not make such a mistaken assessment of the situation again.

[Levi] Will you see the entrance of Iraqi troops into Jordan as a threat to Israel.

[Shomron] There is no doubt that Iraqi forces in Jordan are a threat to Israel.

[Levi] How should Israel act then?

[Shomron] I have no intention of reporting the moves Israel would make in such a situation. [passage omitted]

[Ganor] Mr. Chief of Staff, in your opinion, has the number of infiltration attempts of the Fatah-'Arafat terrorists increased since the United States suspended talks with the PLO, compared to other organizations?

[Shomron] It has not. But most Fatah activity is carried out in the areas of Judaea, Samaria, and Gaza, and within the Green Line. In both areas they are active, and I do not know whether this activity is increasing, but I do know from intelligence reports that there is an intention to do so. [passage omitted]

[Levi] Have the recent steps taken, such as reinforcement of lookout posts on the main roads in Judaea and Samaria, indeed brought the expected results, meaning more safety on the roads?

[Shomron] First I would like to tell you that violence has declined in all areas, not just where we have beefed up forces. There the decline was even sharper, naturally, as could be expected.

[Ganor] Mr. Shomron, does the political friction between Israel and the United States have influence on the military relations and strategic cooperation between the two countries? You are perhaps clearer on that after the discussions you held with your U.S. counterpart.

[Shomron] Let me tell you that the relations between the two defense systems, with the Pentagon and the U.S. Army, are constantly getting closer. Strategic cooperation is at a very high level, and I would not like to detail all of it here, and it is continually increasing; it is not static.

[Levi] This in spite of the significant changes in the region, East Europe...?

[Shomron] Yes, in some of the cases it is even logical to increase cooperation. When the United States in the future will have a smaller army, strategic cooperation capability and swift deployment of intervention forces in various locations in the world could be even more important to the United States. Our relations are based on joint political interests, naturally. I believe that strategic cooperation is a significant component in the stability in the Middle East.

[Ganor] Did you reach any agreements during General Powell's visit here last week?

[Shomron] This was a get-acquainted visit. Incidentally, he is familiar with the region; he used to be the U.S. national security adviser. We have opened a strategic panel in which we discussed the various issues of the Middle East, the joint interests. We had full understanding. On the basis of this understanding, strategic cooperation will naturally continue.

[Ganor] Despite the political friction between Jerusalem and Washington?

[Shomron] Yes. I believe this shows basically that our relations with the United States are deep, and even if there is occasional friction and misunderstanding, basically there is understanding. We see that in the relations between the two defense systems.

[Ganor] Mr. Chief of Staff, thank you for being with us this evening.

Nabulus Squad Said Planning To Kidnap Sharon

TA2007104690 Tel Aviv MA'ARIV in Hebrew 20 Jul 90 p A1

[Report by Ehud Rabinovich]

[Text] The security forces have foiled a plot by Fatah members who intended to kidnap Housing and Construction Minister Ari'el Sharon and to demand the release of terrorists jailed in Israel in return for him.

Details of this daring operation were exposed in the Nabulus military court, where charges were filed yesterday against the three-member squad from Nabulus. The kidnapping was to have been an act of revenge for the IDF's [Israel Defense Force] elimination of terrorist Amin Rusa, leader of the Red Eagle squad in Nabulus.

The charges contend that the decision to kidnap the minister was made by squad commander Anwar Muslimini in December 1989. The defendant and his colleagues planned to abduct Sharon from his home in the Old City of Jerusalem. Preparing for the operation, the defendant toured the area of the minister's house several times and conducted long surveillance sessions. The squad members were apprehended by the security forces, however, before they could carry out their design.

In addition, the defendants are charged with the murder of a Nabulus resident and with possession of firearms and other weapons. Their trial will begin next month.

Plane, Body of Missing Pilot Found in Golan

TA2007103790 Jerusalem Domestic Service in English 1000 GMT 20 Jul 90

[Text] The body of the pilot and the Israel Air Force plane that disappeared a week ago have been found in the Gamla area of the Golan Heights. [Tel Aviv IDF Radio in Hebrew at 1027 GMT on 20 July reports that "the pilot of the plane which crashed in the Golan Heights and was found this morning is Hagay Mori, age 33."] The chief of staff and the special commission of inquiry into the plane's disappearance have left for the site.

Air Force Chief Discusses Mission, Goals

TA1807180390 Tel Aviv IDF Radio in Hebrew 1505 GMT 18 Jul 90

[Interview with Major General Avihu Bin-Nun, Air Force commander, by Yitzhaq Tunik, on the "Military Affairs Magazine" program on the occasion of the Air Force Day—live]

[Excerpts] [passage omitted] [Tunik] Has there been a change in the traditional definition of the Air Force's basic tasks?

[Bin-Nun] Certainly. Today, in addition to its past responsibilities, the Air Force is responsible for defending the country against, and providing an appropriate response to, the surface-to-surface missiles, which can also be air launched. This need to address the enemy's surface-to-surface missiles is a considerable task which has been added to the Air Force's usual tasks, or rather, has grown larger in recent years. I will remind you that Arab countries had—and used—surface-to-surface missiles as far back as in the Yom Kippur War. This is not a new weapon.

Our increased interest in the surface-to-surface missiles, including defense, was the result of the Arab buildup in the wake of the Iran-Iraq war, and of the massive use of these missiles. This is also the reason for the recent debate over whether the Patriot, the Arrow, or some other solution should be preferred. The Air Force will have to provide answers to these problems in the upcoming decade.

[Tunik] Another issue with which the Air Force appears to deal more extensively these days is the various aspects of its participation in ground warfare: Assault helicopters are seen more often in the sky, and there is talk of new helicopters. Is integration with ground forces more extensive now than it was in the past?

[Bin-Nun] No doubt. In recent years cooperation between the Air Force and the ground forces, and Air Force participation in ground combat, have acquired a

new dimension. In fact, it has been augmenting incessantly since the Yom Kippur War. Our organization, the means, investment, and cooperation in the field have all changed. Today's Air Force is much better equipped and trained to give the necessary kind of assistance and—beyond the immediate assistance itself—to participate in ground combat.

[Tunik] I know that your view of the occasionally proposed idea of an air force belonging to the ground forces is that there is no room for such a thing in a country and an Army like ours. I would like to ask you: With an Air Force that is also the air force of the ground forces, are there no disagreements within your corps regarding the distribution of resources?

[Bin-Nun] On the contrary. I think it is precisely because the Air Force uses all its resources to provide comprehensive answers to ground combat, to the protection of the country's skies, to strategic tasks, and to in-depth offensive tasks, that the Air Force is capable of providing the best answer and the aptest emphasis from the viewpoint of the General Staff. [passage omitted]

[Tunik] With regard to this dilemma, I would like to ask you: Transport is a very important issue for the ground forces and for the Army in general, which talks a lot about clever, sophisticated operations. Yet the Air Force, which is the Army's transportation contractor, still uses the Yas'ur [Sikorsky CH-53] as its flag plane. Is this the best contemporary technology can come up with? Are there no better-suited helicopters to be found in the Western world? Would ground forces commanders really choose to be flown to the battlefield aboard this helicopter?

[Bin-Nun] I think they would. I think no helicopters in the world are more suitable than the Yas'urs for assault air transportation.

[Tunik] The Blackhawks, for instance?

[Bin-Nun] Just a moment. We are constantly upgrading and adapting the Yas'urs for the 21st century. The Blackhawk is a piece that can replace the Anafa [Bell-206], not the Yas'ur. The Blackhawk will be used in parallel with the Yas'ur; because it cannot transport vehicles, its capability to transport troops and cargo is limited.

[Tunik] But the Yas'ur is a very heavy aircraft, which carries over 55 soldiers, if I am not mistaken. The Blackhawk is much lighter and easier to manipulate.

[Bin-Nun] True. Therefore, we need a combination of a medium-sized and a heavy helicopter. As for the Yas'ur, we intend to use it for many more years. We have invested a great deal of money in making it suitable for service. As for the Blackhawk, we hope to acquire it as soon as possible.

[Tunik] The other helicopter is the Apache, about which there has been a lot of discussion and disagreement. I would like to ask you this: What about the risk inherent in introducing a new, complicated aircraft, with which there has been little operational experience, into the order of battle? To what extent are you taking a calculated risk?

[Bin-Nun] In my view, the risk is always a calculated one. Most of the aircraft we get have no combat experience, and we are usually the first to acquire combat experience with them. This happened with the F-16's and F-15's, which we bought as an entirely new class of advanced aircraft which no one in the world knew how to operate. We developed their combat doctrine; we integrated them and saw them through all their childhood diseases; and we brought them to the standard they demonstrated in the Lebanon war. It was only afterward that the whole world learned what can be done with these planes.

[Tunis] You spoke of war experience, but the Americans—and not only they—flew both the F-15 and F-16 many years before we did.

[Bin-Nun] This is another misunderstanding. We were among the first to incorporate them. The Americans got them a short time before us, and they were still inexperienced in their use. They had one wing and perhaps a year's edge on us. We bought the prototypes of the F-15. As for the F-16, we received it one year after the U.S. Air Force. They were unable to teach us even the simplest tactics. We developed everything on our own.

[Tunik] What about the Apache helicopter, which Israel is about to receive? As Air Force commander, do you feel confident about our ability to quickly deploy it operationally?

[Bin-Nun] Of course, because we will receive the Apache five years after the United States first flew it. Although their combat experience is limited—the last operational missions were conducted in Panama, because they simply had no wars—we can learn a lot from them from the operational point of view. Our pilots are already flying there and have already relayed many of their impressions to us. Our technicians are studying the Apache everywhere in the United States, both in the Army and with the manufacturers. There is no doubt in my mind that we will deploy the Apache excellently, as we have with respect to every previous weapon system we acquired to date.

[Tunik] Is the maintenance of this helicopter really that much more complicated than that of existing helicopters, as has been the frequent argument in the press?

[Bin-Nun] Yes, just as the maintenance of the F-16 and the F-15 is more complicated than the maintenance of the Kfir and the A-4. This is a new class of helicopters whose maintenance, unfortunately, is more complicated, not easier.

[Tunik] The Americans have recently unveiled what I believe is called the ATF, the aircraft of the future which may replace the current generation of combat aircraft. Would you like to see that aircraft in our Air Force, too, when the time comes?

[Bin-Nun] Of course, but the introduction of such an aircraft into our operations depends on the resources that will be available to us and, naturally, also on U.S. willingness to sell it to us. Assuming these two conditions are met, there is no question that I would like to see it deployed in the Air Force. Our Air Force has always maintained superior technological ability, allowing it to preserve its legendary technological qualitative edge, thanks also to our combat theories and manpower.

[Tunik] Would it be correct to say that in principle the question of resources will worsen? This aircraft will reportedly cost approximately $100 million. Technology is becoming dearer, and it does not look like there will be any change in our financial resources. Furthermore, our national priorities—namely, aliyah and the like—are also changing. Can this possibly lead us in the direction of disarmament?

[Bin-Nun] The order of priorities in allocating funds depends not only on what happens in the world; it should also reflect an assessment of the regional situation. To my deep regret, not only is our region not heading toward disarmament, but we can hear the repeated declarations of all the regional leaders indicating the opposite trend. In those countries, most of which are autocratic, we cannot discern democratic trends; we see tendencies toward fundamentalism and radicalism.

[Tunik] But you have heard, and everyone actually knows, that the Syrians are suffering serious economic hardships and the Soviets have lately refused some of their requests. So things are really related somehow.

[Bin-Nun] Your statement is not 100 percent accurate. The Syrians have difficult economic woes, but with respect to aerial procurement—whether aircraft or surface-to-air or surface-to-surface missiles—they are progressing at an even more accelerated pace, both in absolute and certainly in relative terms. Nearly 80 percent of the Syrian procurement is in the aerial and strategic spheres. The same holds true with regard to almost all the Arab countries, without exception.

As for the Soviets, we have noticed a very interesting process: On the one hand, they are giving the Syrians everything they want, the only proviso being that they pay for the goods. In other words, the only condition is payment, but their responsiveness is far greater than two or three years ago. From the technological viewpoint, they are prepared to offer not only the second best [previous two words in English] they offered before—namely second-rate goods—but are prepared to give the Syrians, the Iraqis, and even the Libyans the most advanced and sophisticated weapons in their arsenal in order to get cash.

[Tunik] It looks as though the Soviets are going to be ready to supply anyone—anyone who pays, that is. Let me ask you a theoretical question. You are familiar with the frontline Soviet aircraft, the MiG-29 and the Sukhoi-27, and you have your views on their performance. Supposing relations with the Soviets were such that we could purchase aircraft from them. Would you select one of their aircraft—of the ones you know—for our Air Force?

[Bin-Nun] That is indeed a theoretical question, though not because the Soviets may not sell to us. The changes there are so vast that it would be too risky to prophesy. Perhaps in a year they will be prepared to sell us, or the West, any of these systems. We can already discern such signs. The question is whether these systems are better than the ones offered us by the United States, and the answer to this is no.

[Tunik] But they are far cheaper.

[Bin-Nun] True, but buying them involves funds that are not available, because they have not yet given us FMS [foreign military sales] terms. In other words, at present we cannot make any purchases. People tend to forget that without these terms, one cannot procure major weapon systems from any source other than the United States, because of the money given us by the U.S. Government.

[Tunik] Has the defection of the Syrian pilot made any significant operational contribution to the Air Force?

[Bin-Nun] Yes, in terms of the know-how and the plane's systems. His defection offered a very substantial contribution to the systems we are examining and flying and has helped us to better acquaint ourselves with the Syrian Air Force, the systems at its disposal, and its weak spots. We will definitely know how to exploit this when the right time comes. [passage omitted]

Shamir Reassigns Settlement Affairs Adviser

TA2007091790 Tel Aviv HA'ARETZ in Hebrew 20 Jul 90 p A2

[Text] Prime Minister Yitzhaq Shamir yesterday appointed Mikha'el Deqel as his assistant for special tasks.

In the past Deqel served as deputy defense minister and deputy agriculture minister. He was the prime minister's adviser on settlement until the present appointment.

The prime minister's bureau said last night that in his new office, Deqel will be charged with special tasks in any sphere where his assistance is required.

King Husayn Returns From Gulf Tour 19 Jul

JN1907202290 Amman Television Service in English 1900 GMT 19 Jul 90

[Text] His majesty the king returned to Amman this evening at the end of a three-nation Arab tour that took him to Yemen, Saudi Arabia, and Oman.

Minister on Water, Israel's 'Encroachments'

JN1907170990 Amman AL-RA'Y in Arabic 17 July 90 p 2

[Excerpts] Amman—PETRA—Water and Irrigation Minister Da'ud Khalaf has said that the annual amount of surface water in Jordan is 755-million cubic meters, of which 218 are flood waters and 477 flow in valleys. Some of the latter can be brought under control through building dams and irrigation projects.

Speaking on Jordan Television during the "Economic Jordan" program the day before yesterday, the minister said that ground waters are distributed among 13 basins. These are either renewable, rain water, or nonrenewable, such as the al-Disah waters that have accumulated in the aquifer over the years. The minister noted that 280-million cubic meters are pumped from these subterranean waters annually and that 330-million cubic meters are being exhausted in underground wells. Thus the water consumed is much more than the water that feeds the basins annually. [passage omitted]

The minister said: We are preparing a plan for 1991, which the prime minister has called the water harvesting year. The plan envisages the establishment of 10 dams and reservoirs in al-Azarq, al-Karak, Wadi al-Hanin [place-name as published], Ma'an, al-Mafraq, al-Jafr, and Wadi Ma'an. The Agriculture Ministry is building al-Ghawshah Dam in al-Hamad basin with an annual capacity of 10-million cubic meters. This project requires four years to implement but will provide a new source for the ground water wells and water for livestock and will help start agricultural projects to serve local residents.

The minister said that if we carry out this plan and build al-Wahdah Dam over the next four or five years, we will be able to provide Jordan with the water it needs.

He said the intermediate plan will take care of the water problem until the year 2000 and that we have to prepare ourselves for the next decade. This, he said, requires considering plans to draw water from outside Jordan or to pump deep, underground water, which is a very costly process—more than one Jordanian dinar for each cubic meter. Another method is to treat waste water and use it for agricultural purposes.

Speaking about Israel's encroachments on the water of the West Bank, the minister said that this began in the early fifties when Israel exploited the al-'Awja' River waters, which provide 230-million cubic meters; the Gaza ground waters, from which Israel is pumping 200-million cubic meters; and 660-cubic meters from the upper portion of the Jordan River. The Jordan waters are used to fill Lake Tiberias. Only high-salinity water reaches Jordanian territory.

The minister said that Israel recently began diverting al-Litani River waters in southern Lebanon and is expected to pump 400-cubic meters a year from the river. Israel, he said, plans to use this water in the Negev. He added that the total amount of water Israel has stolen is 1.3 billion cubic meters annually.

He said the consumption of the average Palestinian in the West Bank does not exceed 25 percent of what the Israeli citizen consumes and that Israeli citizens consume about 75 percent of the water in the West Bank and Gaza Strip.

Asked about the al-Wahdah Dam, the minister said that the blueprints and the invitations for tenders are ready. The financiers want environmental studies and say the issue of diverting the waters should be discussed. Therefore, talks with the financing sources are still deadlocked.

The minister said: Right now we are seeking new sources in the Arab and Islamic states to finance our projects, and the Planning Ministry has already exchanged letters with them. He said that the al-Wahdah Dam will hold 250-million cubic meters, half of which can be used for household consumption and the other half for agriculture. He added that without this project the agricultural projects in the northern rift valley region will not be carried out.

U.S. Offer To Defend Gulf States Criticized

JN2007083390 Amman AL-RA'Y in Arabic 20 Jul 90 p 1

[Editorial: "A Suspicious U.S. Move"]

[Text] It is now clear that the United States wants to poke its nose into the Iraqi-Kuwaiti issue and to transform it from a purely Arab issue into one in which it is involved. Therefore, it has made a statement pledging to defend its so-called friends in the Gulf, either individually or collectively. It also pledged to guarantee the free flow of oil through the Strait of Hormuz. Meanwhile, Washington instructed its embassy in Baghdad to contact the Iraqi Government concerning President Saddam's speech on oil prices and the U.S. role in this issue. These contacts are perhaps aimed more at provoking and creating a problem to which Washington could be a party than seeking clarifications.

This suspicious U.S. move, in its two parts, ought to prompt the Arabs to thwart it firmly and unhesitatingly by making Washington realize that the Iraqi-Kuwaiti issue is an Arab issue in every sense and that inter-Arab relations, including Iraqi-Kuwaiti relations, are stronger than any ties of friendship that Washington claims to have with certain Gulf states.

Moreover, the Arabs ought to make the U.S. Administration understand that no one wants its involvement in this issue, which can be solved without individual or

collective defense. The United States had better not try to incite one Arab side against another, because this malicious game has been exposed and deceives no one.

Furthermore, the Arabs must take the initiative to make Washington understand that Iraq will not face possible U.S. provocations alone, even if these provocations are initially launched under a diplomatic cover. Such provocations would be a continuation of the recent vicious political and propaganda campaigns against Iraq by some foreign quarters.

The Iraqi-Kuwaiti issue, with all its given facts, must remain an Arab issue and must be solved rapidly on Arab land and through Arab efforts without any direct or indirect foreign interference. The fact that fraternal Iraq and Kuwait have turned to the Arab League and Arab capitals to present their case shows beyond a doubt that the two countries are being careful to avoid any foreign interference. This caution indicates a pan-Arab farsightedness by the two sides and this should be appreciated.

Arab news media should display caution and commitment to a correct pan-Arab stance in addressing the Iraqi-Kuwaiti issue in order to play a constructive role that will help to reach a just Arab solution to the issue. The Arabs ought to be aware of the foreign media intrigue campaigns aimed at sabotaging inter-Arab relations. The Arab League and Arab leaders should try to contain the effects of this summer cloud between Iraq and Kuwait as soon as possible.

Columnist Urges Kuwait To Reject U.S. Support

JN2007102590 Amman AL-DUSTUR in Arabic
20 Jul 90 p 20

["Last Station" column by Mu'nis al-Razzaz: "The Real Dispute: Between the Near and the Far"]

[Text] We are quite certain that the U.S. Administration would not lift a finger if Israel attacked any oil-producing Arab country and left no wall standing in any Arab oil capital. But, when an Arab country such as Iraq makes remarks on Kuwait's oil policy, the U.S. Administration quickly intervenes among the Arabs to declare its bias in favor of one party against the other in order to agitate the dispute among the brothers.

From my position as an Arab citizen, and in the name of Arab dignity, I ask Kuwait to denounce the U.S. position supporting it against Iraq because Iraq is a fraternal Arab country. We expect Kuwait not to allow the country that has insulted the dignity of this nation scores of times in the past to intervene in a temporary disagreement between two fraternal countries. We are also certain that Kuwait refuses to allow the United States to treat it as a U.S. protectorate.

We must remember that the Joint Arab Defense Pact is a pact among Arab countries and not between an Arab country and the United States. It is an inter-Arab defense pact not a U.S.-Arab defense pact. The real U.S. defense pact in this region is between the United States and Israel only, and we are certain that the brothers in Kuwait will reject the insulting U.S. statements claiming that the United States will defend its friends in the region. (We know that the only real friend of the United States is Israel.) This U.S. logic, which Kuwait did not request, will reinforce the U.S. military presence in the Arabian Gulf—a presence that is rejected by all Arab masses.

Jordan, which has become the "fire engine" to put out all Arab fires, has the ability to put out the flames of this limited fire between Iraq and Kuwait by taking into consideration the supreme pan-Arab interest. Let the United States go to hell. As far as we know, none of the Arabs has asked for its advice, protection, or intervention.

The Arab masses will not stand idle and will not equate the Arab government that opts for dialogue to resolve the disagreement with the Arab government that derives strength from a foreign power against another Arab country. The internationalist U.S. imperialism is rejected and the Arabs will remain a single nation and the United States will remain a foreign country hostile to the Arabs.

We hope that Kuwait will take a decisive position on the U.S. Administration's support for it against a fraternal Arab country. We also hope that we will not fall in the traps of imperialism on the premise of protecting our narrow interests, because this position will make us lose in the long run.

Fatah Reportedly Withdraws Hizballah Threat

NC1907174190 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1630 GMT 19 Jul 90

[Text] AFP has reported that the 'Arafat-led Fatah Movement has withdrawn its ultimatum to Hizballah to withdraw its troops from Jarju', or else it would enter the town by force.

AFP notes that the withdrawal came after a contact between Yasir 'Arafat and Zayd Wahbah, Fatah military official in Sidon.

Fatah Official Rules Out Clash With Hizballah

NC2007065290 (Clandestine) Radio Free Lebanon in Arabic 0445 GMT 20 Jul 90

[Excerpts] Fighting continues between Amal and Hizballah in which medium-caliber machine guns, rocket launchers, and artillery are being used on the Jarju and 'Arab Salim combat lines in Iqlim al-Tuffah. Shells are falling in most villages in the area. Violent battles raged yesterday, and the warring parties brought in reinforcements and carried out mutual attacks on the Jba'-Arab Salim axis. This caused further casualties. A member of the Palestinian disengagement force was also killed. [passage omitted]

Yesterday Fatah political official Zayd Wahbah inspected the positions in Sarba where the Palestinian forces are deployed. He ruled out any possible clash with Hizballah.

Hizballah Secretary General Shaykh Subhi al-Tufayli said he totally rejects the deployment of the Palestinian disengagement force. He added that Hizballah is willing to respond to mediation efforts to find a complete and final solution with the Amal Movement.

Iran Ready To Resolve Amal-Hizballah Conflict

NC2007150890 Ihdin Radio of Free and Unified Lebanon in Arabic 1430 GMT 20 Jul 90

[Text] Iran today expressed its readiness to resolve the disagreement between Amal and Hizballah in cooperation with the Syrian brothers on the basis of the Damascus agreement.

The Iranian Embassy in Beirut issued a statement to this effect. The statement expresses deep regret over what is happening among the sons of the same rank in Iqlim al-Tuffah. The statement condemns any move and stand which would lead to stoking the fire of sedition in service of the common Israeli enemy. The statement resents the opprtunism of some known elements and their exploitation of the situation to increase the intensity of the battles among the brothers under the pretext of disengagement or any any other pretext.

Papal Nuncio Meets 'Awn, Urges 'Sacrifice'

NC1907175490 Beirut Voice of Lebanon in Arabic 1615 GMT 19 Jul 90

["Text" of "written statement" read by Papal Nuncio Pablo Puente after meeting General Michel 'Awn at B'abda Palace on 19 July—read by announcer]

[Text] During the past few days I have met with Mr. Ibrhaimi of the Arab Tripartite Committee. He wanted to meet with General 'Awn within the framework of the existing line of communications between the Arab Tripartite Committee and the Vatican with a view to establishing peace in Lebanon. As you know, both the Vatican and the Arab Tripartite Committee desire a speedy and comprehensive solution to the Lebanese crisis. Today, I met with Gen. 'Awn because of the delicate situation in the country, and this is perhaps one of the most critical times in the history of modern Lebanon.

The time is no longer right to ponder the partial considerations. On the contrary, the time now is for a major sacrifice with the purpose of restoring the comprehensive, urgent, and lasting security within the framework of unity and fraternity. The people cannot tolerate any more wars, grief, or divisions. Today, more than ever before, the state's supreme interest must be given precedence over any other considerations. Otherwise, the risks to Lebanon's very existence will be greater.

Pope Calls on 'Awn To Recognize Al-Hirawi

NC2007075890 Beirut Domestic Service in Arabic 0430 GMT 20 Jul 90

[Text] Pope John Paul II sent a handwritten message to General Michel 'Awn yesterday asking him to recognize the legal authority represented by the government of President Ilyas al-Hirawi and to put everything at its disposal immediately and without delay.

In his message the pope declared the Vatican's support for the reconciliation program put forward by the Cabinet last week. The Vatican considers this program a suitable opportunity to end the war and spare Lebanon any tragedies that might result from the continuation of this war.

The pope was quoted as saying in his message that whoever opposes the government's statement and the peace efforts undertaken by the Arab Tripartite Committee will cause new conflagrations in this tormented country and will be responsible for any dangers that befall the Christians in Lebanon.

Papal Nuncio Pablo Puente handed the message to Gen. 'Awn yesterday.

Ibrahimi, 'Awn Hold 'Positive' Talks

NC2007080490 Beirut Domestic Service in Arabic 0430 GMT 20 Jul 90

[Text] The ongoing efforts to implement the government's statement are achieving tangible progress. Within this framework, Arab envoy Lakhdar Ibrahimi held a meeting with General Michel 'Awn, which lasted from 2300 yesterday to 0100 today. The in-depth talks between the two were described as very positive. A third meeting will be held shortly. Ibrahimi seemed optimistic. It has been reiterated that Ibrahimi and 'Awn agreed to avoid a deadlock.

A government source has stressed that Ibrahimi is working on many levels to obtain positive responses to the cabinet's initiative, especially on the part of former army commander Gen. 'Awn. The source explained that Ibrahimi has achieved some progress in his talks. Hence, he has prolonged his stay in Beirut. He is continuing his work and there is no reason for pessimism.

Disagreement in Amal Over Palestinian Deployment

NC2007072590 (Clandestine) Voice of the Oppressed in Arabic to Lebanon 0530 GMT 20 Jul 90

[Excerpts] The war imposed on the Islamic resistance in Iqlim al-Tuffah continues in an attempt to settle the Palestinians and to make security arrangements with Israel. This is part of a plan drawn up by global arrogance and being implemented by lawyer Nabih Birri. At the same time, reports from the South indicate that disagreements are increasing within the Amal Movement's ranks with regard to the deployment of pro-'Arafat forces in Iqlim al-Tuffah. One wing of the movement supports the Palestinian expansion, and another opposes it. This latter wing is reminding the Amal leader of the actions carried out by the Palestinians during the camps war and how the Palestinians killed the movement's best young men, caused destruction, and drove people from their homes. According to the reports, opposing Amal wings were put on alert in al-Zahrani area, and a state of general resentment currently prevails among Amal members and citizens in the South as a result of the pro-'Arafat forces' being deployed. These people are holding Lawyer Nabih Birri responsible for this development. People demonstrated in Humin to denounce the Palestinian expansion. [passage omitted]

REUTER reports that yesterday the Fatah Movement brought more gunmen and equipment to the battle zone in Iqlim al-Tuffah. The equipment included rocket launchers and mortars. [passage omitted]

Hizballah Clergyman Warns on Pro-'Arafat Forces

LD1907132390 Tehran Domestic Service in Persian 1030 GMT 19 Jul 90

[Text] Shaykh Na'im Qasem, one of the scholars of the Lebanese hizballah, has said that the stationing of the pro-'Arafat forces in Iqlim al-Tuffah is a dangerous development.

According to the report of the Central News Unit, he made the remarks at the funeral ceremonies for the hizballah martyrs in the southern suburbs of Beirut. He added: There is proof that 'Arafat and Nabih Birri have reached agreement to interfere in southern Lebanon and to pursue plans to reconcile with Israel.

A representative of Nabih Birri also met recently with the Saudi official in Riyadh to discuss the same issue.

Lebanese Forces Deny Israelis in E. Beirut

NC1907150490 Beirut Voice of Lebanon in Arabic 1415 GMT 19 Jul 90

[Text] A Lebanese Forces source has expressed surprise at a statement by Allamah Muhammad Husayn Fadlallah in which he referred to the presence of Israeli experts in the eastern area. The source said: It is very surprising that such a statement should be made by a man who is known for his prudence and rational thinking. He must have been misled into believing wrong information. This is regretable, the source said.

The source added: The Lebanese Forces earlier denied and renew their denial of the report today, because there are no Israeli or foreign experts in the eastern areas. Reports about this are fabricated and are far from the truth. We announce that our areas are open for anyone who wants to verify this, the source concluded.

Reportage on Situation in Iqlim Al-Tuffah

Army Command Reviews Security

NC1907193790 Beirut Domestic Service in Arabic 1900 GMT 19 Jul 90

[Text] President Ilyas al-Hirawi, Prime Minister Dr. Salim al- Huss, Army Commander General Emile Lahhud, and Intelligence Director Staff Brigadier General Nabih Farhat met at the president's headquarters in al-Rmlat al-Bayda' [place name as heard] this evening. They reviewed the security situation in the south in general and in Iqlim al-Tuffah, espeecially after the recent fighting among the brothers, in particular.

At the end of the meeting, the Army Command was assigned the task of following up the situation in light of the Israeli danger in the area and of holding the necessary contacts with all parties concerned in order to take the measures that will end the fighting and restore the situation to normal.

Communist Party Proposes Initiative

NC1907115390 Beirut Domestic Service in Arabic 1030 GMT 19 Jul 90

[Text] As part of the efforts to halt the fighting in Iqlim al-Tuffah, Communist Party Secretary General George Hawi today visited Hizballah Secretary General Shaykh Subhi al-Tufayli. He presented the Communist Party's

initiative to resolve the deteriorating situation in Iqlim al-Tuffah. The initiative consists of seven points:

1. Endorsing the principle linking a comprehensive solution to the situation in Iqlim al-Tuffah with an overall national solution.
2. Effecting a comprehensive cease-fire and withdrawing all forces to enable the deployment of the legitimate Lebanse Army.
3. Agreeing to a national role for the legitimate Lebanese Army and safeguarding this role.
4. Discussing practical ways to achieve unity of national action and secure the freedom of such national action and the freedom of resistance operations.
5. Discussing the basis of organizing national resistance to boost its effectiveness.
6. Ensuring the need to recognize the national and legitimate interests and rights of the Palestinian people.
7. Ensuring the need to support political initiatives to resolve the Lebanese crisis and end the tragedy of internecine fighting and civil war.

After the meeting, Hawi expressed his hope that Hizballah will respond positively after studying the initiative.

Israeli Overflights Reported

NC1807132890 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1300 GMT 18 Jul 90

[Text] As Israeli aircraft continued their sorties and broke the sound barrier just before 1500 today, clashes between the Amal Movement and Hizballah continued in Iqlim al-Tuffah. Both sides are exchanging artillery fire on the Jarju'and 'Arab Salim lines and shells are falling on a number of neighboring villages and areas.

Both sides have ignored the International Committee of the Red Cross' appeal for a cease-fire between 0900 and 1800 [as heard] to enable it to enter the areas where fighting has taken place and evacuate the dead and wounded.

Hizballah Foils Amal Attack

NC1807192290 (Clandestine) Radio Free Lebanon in Arabic 1845 GMT 18 Jul 90

[Excerpt] According to the latest reports from the south, fierce fighting is continuing between the Amal Movement and Hizballah on the combat lines of Jarju' and 'Arab Salim in Iqlim al-Tuffah. Shells are falling randomly on most of the villages in the area.

Hizballah sources said that Hizballah fighters have foiled an Amal Movement attack in the direction of Jarju' which lasted from 1600 to 1830 today.

The Amal Movement accused Hizballah of shelling the villages under its control with heavy artillery and rockets. [passage omitted]

Situation Remains 'Explosive'

NC1907055490 (Clandestine) Voice of the Mountain in Arabic to Lebanon 0430 GMT 19 Jul 90

[Excerpts] The security situation in Iqlim al-Tuffah remains explosive following yesterday's intense fighting, with the clashes between Amal and Hizballah abating at times and intensifying at other times, particularly on the Jarju' and 'Arab Salim combat lines.

Amal sources said the outskirts of Jarju' and the villages of 'Arab al-Jall, 'Anqun, Jurnaya, and Kafr Hatta came under bombardment, and added that Amal forces advanced toward Jarju's old church. The sources spoke of fortifications being set up by Hizballah on Jarju' and 'Ayn Bu Siwar hills. [passage omitted]

REUTER reported that 45 people have died and 115 have been wounded in the fighting which broke out four days ago, including the six who died and 24 who were wounded in yesterday's fighting. Israeli helicopters flew over the scene of fighting as the shelling was in progress.

AFP cited a Palestinian source as saying that one member of the Palestinian forces was killed and six wounded as a result of the shelling. [passage omitted]

Red Cross Continues Mission

NC1907150090 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1300 GMT 19 Jul 90

[Text] According to the latest reports from Iqlim al-Tuffah, the situation there is limited to some machine gun bursts that are violating the truce declared at 1330 in response to the Red Cross.

The International Committee of the Red Cross [ICRC] and the Lebanese Cross are continuing their mission in the Jarju'-'Ayn Bu Siwar area. They entered the area at 1330 and evacuated 15 bodies. The cease-fire was extended until 1600, when the convoy is due to end its work. But a Hizballah media source said that while the convoy was continuing its mission, Jarju' and Tallat Jurnaya came under 23-mm artillery shelling. The convoy had to stop its mission and will resume it at 1600.

In a statement it issued a short time ago, the ICRC said that, in cooperation with the Lebanese Cross, at 1330 it began the evacuation of the dead and wounded in Iqlim al-Tuffah after the two warring parties agreed to an humanitarian appeal to cease fire. The statement added that the ICRC calls on all the fighters to abide completely by the cease-fire and let it carry out its humanitarian duty.

Mission Complete; Battles Resume

NC1907153090 Ihdin Radio of Free and Unified Lebanon in Arabic 1439 GMT 19 Jul 90

[Text] The International and Lebanese Red Cross convoy has completed its mission in Jarju' township after removing an unspecified number of bodies. The convoy left at approximately 1600 this afternoon. The

mission was carried out in two stages. The convoy entered the township at about 1330 and removed 15 bodies. The township came under shellfire shortly afterwards. The first aid men had to stop the operation, which was resumed after 1530. The convoy then departed.

According to the latest reports, fierce battles with various types of weapons are now raging on the Jarju'-'Arab Salim lines.

Several bodies were today taken to the government hospital in al-Nabatiyah.

Israeli Reinforcements in South

NC2007075290 Beirut Voice of Lebanon in Arabic 0715 GMT 20 Jul 90

[Text] According to security reports from the South this morning, the Israeli forces have introduced new military mechanized units into the eastern sector of the border zone. The reports said the reinforcements, which included 13 armored vehicles, took the road from Metulla to Marj 'Uyun and Ibil al-Saqi and deployed on Kawkaba hill.

Fatah Forces Occupy Buildings

NC2007090990 (Clandestine) Radio Free Lebanon in Arabic 0845 GMT 20 Jul 90

[Text] Amal and Hizballah continue to exchange intermittent machine gun, rocket, and artillery fire on the Iqlim al-Tuffah combat lines. A short time ago, security sources in West Beirut said that gunfire was heard in the vicinity of the airport but the circumstances of the incident are not yet known.

A Hizballah media source has reported that Jarju' is still coming under rocket fire and shelling from 120-mm, 82-mm, and 106-mm artillery and mortars from Amal positions in Humin, Sarba, 'Arab Salim, and 'Arab al-Jall. An Amal military source said that Hizballah shelled Sarba, Humin al-Fawqa, 'Arab Salim, Jurnaya, and Jarju' with rocket launchers and field artillery.

REUTER has reported that 50 people have so far been killed and 125 injured in the ongoing Amal-Hizballah war. AFP said 44 have died and 104 have been wounded.

Meanwhile, security reports said today that a Palestinian force belonging to the Fatah Movement succeeded in entering Jarju' last night and took up positions in four buildings that control the combat line in the township.

Israeli Shelling Reported

NC2007122090 (Clandestine) The Lebanese Radio in Arabic 1100 GMT 20 Jul 90

[Excerpt] Intermittent clashes are continuing between the Amal Movement and Hizballah and are centering on the Jarju'-'Arab Salim combat line. All types of weapons, including rocket launchers and field artillery, are being used in the fighting. Skirmishes are also taking place on the other combat lines.

Security sources said that Hizballah gunmen have launched more than five attacks in the past 48 hours on the Humin al-Fawqah-Jarju' junction. A Palestinian force deployed in the area succeeded in taking over four buildings at this junction. Reports said one Palestinian was killed and three others were injured.

A Hizballah source denied that any Palestinian force had taken up position in Hizballah controlled areas, particularly in Jarju'. He said that the Palestinian forces are deployed in areas controlled by Amal. Hizballah stated that Jarju' is being shelled from Amal positions in Humin, Sarba, 'Arab Salim, and 'Arab al-Jabal.

For its part, Amal said that Sarba, Humin al-Fawqa, 'Arab Salim, Jurnaya, and Jarju' were being subjected to rocket, field artillery, and heavy machine gun fire.

Hizballah sources also said that Israeli tanks deployed in Tallat Sujud shelled Jarju' and other Hizballah positions. Security sources reported Israeli reinforcements in the eastern sector of the border strip, particularly in Tallat Kawkaba. The sources also reported that three artillery shells fell at dawn today on Mashgharah from Israeli positions near Marj 'Uyun, but caused only material damage. [passage omitted]

Israel Said Stealing Al-Litani River Water

NC2007071490 Beirut Domestic Service in Arabic 0430 GMT 20 Jul 90

[Excerpt] Israel has admitted stealing water from Lebanon. The chairman of the Israeli Water Company said that Israel is not pumping any more water from the al-Litani River than it has been entitled to; that is, between 20 and 23 million cubic meters annually.

In another development, three Israeli army bulldozers have continued to open roads and erect military positions in Tallat Kawkaba overlooking Hasbayya. [passage omitted]

Soviet Parliamentary Delegation Arrives 19 Jul

JN1907172890 Damascus Domestic Service in Arabic 1515 GMT 19 Jul 90

[Text] A delegation of people's deputies from the USSR led by Comrade (Katinov Valentine Afanasyev), member of the Supreme Soviet Presidium, arrived in Damascus this afternoon on a visit to Syria lasting for several days.

He was received at Damascus International Airport by Shakir al-Su'ayyid, head of the Arab and Foreign Affairs Committee of the People's Assembly; members of the People's Assembly; and the Soviet charge d'affaires in Damascus.

Mr. (Afanasyev) told the SANA correspondent that his visit to Syria is for the purpose of keeping up meetings and contacts with the Syrian friends so as to enhance and cement the ever-developing relations of cooperation.

He added that Syrian-Soviet relations have always been an influencing factor in contemporary international relations, especially in the Middle East. Syrian-Soviet relations are characterized by stability and are built on the solid foundation laid by the friendship and cooperation agreement signed between Syria and the Soviet Union.

Furthermore, he said that during his visit he will hold talks and exchange views with the Syrian People's Assembly, Syrian parliamentarians, and representatives of Syrian public opinion on international issues and bilateral relations, and means to develop parliamentary contacts.

Talks will focus on joint efforts and coordination to reach a just settlement in the Middle East and defend the legitimate interests and rights of the Arab people.

Mr. (Afanasyev) noted that talks will also deal with the processes of perestroyka and democratic development currently taking place within Soviet society, and the delegation's impressions of the 28th CPSU Congress which ended recently.

Moreover, he also expressed hopes to benefit from the activity of Syrian friends. He said that they were directly informed of the life of the Syrian people who are eager for work and action. He said: We are convinced that the days we will spend in Syria will enhance the ties of friendship and trust between our peoples and countries.

Received by Assembly Speaker

JN2007071590 Damascus Domestic Service in Arabic 2015 GMT 19 Jul 90

[Text] People's Assembly Speaker 'Abd-al-Qadir Qaddurah received this evening a delegation of people's deputies in the Soviet Union led by (Katinov Valentin Afanasyev), member of the Presidium of the USSR Supreme Soviet. Shakir Is'id, head of the People's Assembly Arab and Foreign Affairs Committee, and Aleksandr Zotov, USSR ambassador in Damascus, attended.

The meeting covered current issues, and bilateral relations and improving them on the basis of the friendship and cooperation treaty between the two friendly countries. The People's Assembly speaker praised highly the Soviet Union's positions of support and backing for the Arabs' just causes. The People's Assembly speaker then discussed the question of democracy in Syria and its deep roots and development particularly since the glorious correction movement of 1970.

Qaddurah stressed the need to continue to deepen the strong ties between the People's Assembly and the USSR Supreme Soviet and to exchange expertise and information to strengthen these traditional ties.

(Afanasyev) then spoke to express his and his colleagues' happiness to be visiting Syria. He stressed emphatically the Soviet Union's firm position on Arab issues and its support for these cause, particularly in international fora.

(Afanasyev) touched on certain achievements and developments in his country on the basis of developing Soviet society, expanding the democratic base of society, and managing the means of production in light of perestroyka.

UN's Marrack Goulding Meets With Khaddam

JN1907124090 Damascus Domestic Service in Arabic 1115 GMT 19 Jul 90

[Text] Vice President 'Abd-al-Halim Khaddam today received Marrack Goulding, UN assistant secretary general for Middle East affairs. The talks dealt with the situation in the Middle East and the conditions of the UN forces in southern Lebanon.

Discusses Lebanon With Al-Shar'

JN1907162290 Damascus SANA in Arabic 1520 GMT 19 Jul 90

[Excerpt] Damascus, 19 Jul (SANA)—[passage omitted] Foreign Minister Faruq al-Shar' this morning received UN Assistant Secretary General Marrack Goulding and discussed with him the UN's role in maintaining peace in the region, particularly in Lebanon.

They also discussed developments in Lebanon and the need to implement the national accord charter to establish the unity of Lebanon and maintain its security and stability.

President Meets With Mauritanian Minister

JN2007060090 Damascus SANA in Arabic 1715 GMT 19 Jul 90

[Text] Damascus, 19 Jul (SANA)—At 1830 today President Hafiz al-Asad received Didi Ould Bou Na'ama, Mauritanian minister of culture and Islamic orientation.

The meeting was attended by Foreign Minister Faruq al-Shar', Culture Minister Najah al-'Attar, and the Mauritanian ambassador in Damascus.

Ould Na'ama delivered a message from Mauritanian President Maaouiya Ould Taya to President al-Asad. President al-Asad gave the minister a message in reply and expressed his greetings and best wishes to the Mauritanian president and people. The meeting dealt with the situation in the Arab Maghreb and the Middle East.

Commentary Assails Shamir's View of Peace Plan

JN1807153490 Damascus Domestic Service in Arabic 1130 GMT 18 Jul 90

[Station commentary]

[Text] Gentlemen: The horizon is free from any signs of a serious advance toward a just peace in the Middle East. The reason is not that the Arabs do not want this peace but because other parties are not serious about it. For, after the formation of the rightist, extremist Shamir government, Israel started talking, from time to time, about what it calls peace. If we analyze and interpret this peace, we will find quite simply that it means a peace that enables Israel to expand and absorb hundreds of thousands of additional Jews. Shamir's program, which is being made a concrete reality by his government, provides for, among other things, setting up new settlements in the occupied Arab territories and seeking to establish a strong Greater Israel. This was admitted by Shamir and members of his government. Establishing settlements entails, of necessity, the continued occupation of Arab lands. The international community has asserted more than once that the policy of settlements hampers any serious movement towards peace. Even the United States, which is the first to be blamed for the continued Israeli aggression and rejection of peace, has admitted this fact.

For its part, the U.S. Administration has not put forward an all-inclusive Middle East peace initiative, contenting itself with proposals that lack impartiality, which is something a superpower responsible for world peace and security should demonstrate. U.S. initiatives have been designed to secure Israel's interests, even if these initiatives are always at the expense of Arab rights. Even these U.S. proposals have been seized upon by Israel as an opportunity to procrastinate, delay, and incite differences within the Israeli political hierarchy to distract attention from Israeli aggressive, expansionist schemes whose aims are well known.

Israeli policies primarily depend on Washington's support and backing—political, economic, and military—and on securing international cover-ups for its inhuman antipeace practices. However, while implementing its expansionist scheme, Israel depends even more on the absence of Arab solidarity because the absence of this solidarity and the lack of a unified Arab stance have encouraged Israel to forge ahead with its policies and aggression and its hostility towards a just and lasting peace in the region. This also encourages Israel to reject all international initiatives calling for peace through a UN-sponsored international conference.

Now that the Arab nation is at the threshold of a new stage in light of the Alexandria summit between President Hafiz al-Asad and Egyptian President Muhammad Husni Mubarak. In light of the major world changes at the end of the cold war and the rapprochement between East and West, it seems clear that there is a serious and sincere tendency towards building Arab solidarity in order to prepare for the next stage, a stage in which Arab solidarity cannot afford to be reluctant, divisive, or to retreat, in view of the extreme gravity of the situation. Syria, through President al-Asad, has warned about this more than once. Syria has also asserted that the threat posed to the Arab nation's present and future surpasses that which existed before the establishment of the Israeli entity on Palestinian Arab land in 1948.

The al-Asad-Mubarak summit in Alexandria has underscored a number of facts, including initiating a serious Arab action in the right direction by pooling Arab energies and drawing up working strategies to safeguard Arab rights and existence. Perhaps the qualitative shift in Syrian-Egyptian relations constitutes a foundation for serious Arab action as a prelude to real and effective Arab solidarity to keep pace with the 1990's and as a preliminary step to an Arab stance capable of engaging influential world forces to work for peace in the Middle East, taking into consideration the interests of the Arabs and the justness of their cause.

The doors of peace are open for those who seek it. The international conference, which started in 1973 and stopped after one session, is the beginning of the road. Above all, however, those who are declaring day and night their eagerness for world peace should put pressure on Israel to end its aggressive settlement policy and abandon its hostility towards peace. Only then can signs of a serious movement toward the hoped for peace appear on the horizon. The Arabs have always been peace advocates; however, they reject the Israeli peace and call for a just peace that restores rights to their owners and puts an end to the policy of aggression.

Afghanistan

AIG Rejects 'Reported' USSR-U.S. Agreement

BK1907141890 Islamabad THE MUSLIM in English 19 Jul 90 p 8

[Text] Peshawar, July 18: The Afghan Interim Government [AIG] has rejected the reported Russian-American agreement on Afghanistan according to which the head of the Kabul regime would remain symbolic leader relinquishing control of the ground forces and mass media to a transitional organisation which will hold general and free elections in which the former PDPA [People's Democratic Party of Afghanistan] would also participate.

Kabul was reported to have agreed to the proposed arrangement.

A spokesman of the Afghan Interim Government commenting on the press reports said that Najib's relinquishing part of his authority was a non-issue for Mujahidin who believed that those members of PDPA who were responsible for war crimes and did not repent must be put on trial. The Afghans and the liberty and justice loving people in the world, he said, could not agree to the participation of such a party and such individuals in the future political life of the Afghan nation. He pointed out that if there was really an agreement to stop support to both sides, it would mean that once more the Soviet Union beguiles the world. It was very difficult to monitor supplies going from the Soviet Union to Kabul because of the long border between USSR and Afghanistan. Kabul will continue to receive Soviet assistance while Mujahidin will be deprived of the international support. This will indeed be a grave injustice, he added.

Meanwhile, according to Afghan News Agency severe fighting has erupted between the Afghan and the Kabul security forces around the besieged city and military garrison of Khowst. The Mujahidin had claimed a number of success besides heavy bombardment on their position in Khowst and other places.

Gaylani Claims U.S. Promises To Continue Aid

PM1907113490 London AL-SHARQ AL-AWSAT in Arabic 18 Jul 90 pp 1-4

[Zaki Shihab report: "Afghan Mujahidin Leader Tells AL-SHARQ AL-AWSAT: United States Told Us It Would Continue To Support Our Cause Until Political Solution Achieved"]

[Excerpt] London, AL-SHARQ AL-AWSAT—A senior official of the Afghan jihad movement has announced that the mujahidin leadership knows nothing about reports of the U.S. intention to reduce or end its aid to the mujahidin following U.S. Congress debates over the past few days.

In a statement to AL-SHARQ AL-AWSAT Mr. Ahmad Gaylani, leader of the National Islamic Front of Afghanistan, pointed out that the U.S. position conveyed to the mujahidin leadership was that U.S. support would continue until a political solution to the Afghan issue is achieved.

Gaylani revealed that meetings were held with him and other leaders by Ambassador Peter Tomsen, the U.S. envoy responsible for following mujahidin affairs, during which the latter emphasized that no change has occurred in the U.S. position with regard to continuing aid to the mujahidin.

Over the past few days the two chambers of the U.S. Congress have witnessed sharp discussions during which some senators and representatives have demanded that the U.S. Administration end its aid to the Afghan mujahidin within the framework of ending its aid to some of the forces fighting communists regimes.

Reports leaked from the meeting said that some senators went beyond that and demanded that the United States restore its diplomatic relations with the Kabul regime, even at the charge d'affaires level, in order to enable U.S. Administration officials to study closely real conditions in the Afghan capital. The reports also indicated that the Soviet Union's relations with the United States have entered a new stage in recent months, thus prompting Moscow in May to ask the United States to put pressure on the mujahidin leaders to cease their heavy shelling of the Afghan capital, Kabul. [passage omitted]

Khaliqyar Meets UN Humanitarian Aid Official

LD1807173890 Kabul Domestic Service in Pashto 1530 GMT 18 Jul 90

[Text] The premier's Press Office reports that this morning Khaliqyar, the prime minister of the Republic of Afghanistan, met with Zia Razawi, assistant to His Excellency Prince Sadruddin Agah Khan, coordinator of UN humanitarian aid to Afghanistan, and his accompanying delegation and exchanged views with them. Zia Razawi briefed the esteemed prime minister on the UN's measures to expand the Salam program of aid to the Republic of Afghanistan and to accelerate the refugees' return to their homeland.

During the meeting, esteemed Khaliqyar explained to the delegation the new regulation on the return of the refugees and the facilities that the Republic of Afghanistan Government has provided for the honored return of the refugees to their fatherland, and expressed gratitude for His Excellency Sadruddin Agah Khan and his colleagues' humanitarian help given to Afghanistan.

President Issues Decree on Army Crimes

LD1807173490 Kabul Domestic Service in Pashto 1530 GMT 18 Jul 90

[Decree on military penal code issued by President Najibullah; date and place of issue not given—read by announcer]

[Text] The Presidential Office reported that a decree from esteemed Najibullah, the president of Afghanistan,

concerning the supplement to Decree No. 465 dated 30 May 1990 has been issued with the following details:

—Article 1. Article 3 of Decree No. 465 dated 30 May 1990 should be amended and supplemented:

Article 3. The number of members of the Armed Forces, who have been convicted under Paragraphs 1, 3, and 6 of Article 8 of the law of crimes against combat readiness—if the weapons (?lost) do not exceed two pieces or the price of all combat tools lost does not exceed 120,000 Afghanis—should be released from prison without the consideration of conviction and the time served.

—Article 2. This amendment should be sent to the Afghan Justice Ministry for publication.

[Signed] Najibullah, the president of Afghanistan

Mujahidin Said To Down Transport Plane in Khowst

BK1907131090 Islamabad THE PAKISTAN TIMES in English 19 Jul 90 p 9

[Text] Peshawar—A four-engine jumbo transport plane of the Kabul regime was shot down as the Mujahidin launched attack on the security cordon of the besieged city of Khowst on July 16, reports Commander Maulavi Jalaluddin Haqani to MIDIA [Media Information Department of Islamic Afghanistan].

According to MIDIA, the transport plane had been supplying ammunition to the besieged forces in the city. It was also used for carrying soldiers.

In the incident, 31 servicemen of the regime, including seven high-ranking officers, were killed.

Fierced fighting is going on in the besieged town between the Mujahidin and Kabul forces.

'Severe' Fighting Erupts Again in Khowst

BK1907134890 Islamabad THE PAKISTAN TIMES in English 19 Jul 90 p 10

[Text] Khowst—Severe fighting has once again erupted between the Afghan mujahidin and Kabul regime security forces around the besieged city and military garrison of Khowst.

Afghan News Agency correspondent from Khowst reported that mujahidin fired Soccer-20 [SAKR-20] long range missiles at the Khowst garrison of Kabul regime Tuesday afternoon as a result of which dozens of regime personnel were killed and injured. Heavy material loss was also inflicted to the regime army. The exact death toll could not be ascertained, however the report claimed that more than a hundred people have been killed.

Mujahidin also took over the Shalka security post of Kabul regime five kilometres south of Khowst. A large number of militiamen were killed and wounded when mujahidin ambushed the security post: eight other militiamen of the Kabul regime from the Gur Guri security post near Khowst also surrendered to the mujahidin along with their Kalashnikov rifles. The defecting soldiers included two militia officers Khushbeen and Musa Khan.

In retaliation to the mujahidin attacks on the Kabul regime positions the regime war planes have been carrying severe bombardments on mujahidin bases around Khowst and other places. Six mujahidin are reported to be criticaly wounded near Khowst in the regime air-strikes.

Meanwhile, the mujahidin of Jihadwal Ghwand smashed a regime transport plane at the Khowst airport in the thin hours Wednesday morning. Details say that mujahidin of Jihadwal base attacked the airport with Soccer 20 long range missiles at 3.30 a.m. Wednesday morning as a result of which a transport plane was destroyed moments after it landed at the airport. Four persons on board the plane were also killed. Severe fighting is reported to be continuing between the mujahidin and the regime forces all over the Paktia province of Afghanistan and mujahidin have inserted pressure on the Khowst military garrison.

One Killed, 14 Wounded in Kabul Rocket Attack

LD1807161390 Kabul Domestic Service in Pashto 1530 GMT 18 Jul 90

[Text] Extremists killed one person and wounded fourteen others when they fired two surface-to-surface U.S. rockets into the residential areas of Kabul today. The military section of the BIA [BAKHTAR INFORMATION AGENCY] reports: The injured were quickly taken to a hospital and are under intensive medical treatment and care. Today's rockets fired from the east landed in the residential areas of Ward 11 of Kabul where they inflicted material damages on our compatriots as well.

Ammunition Captured in Kabul Province

LD1707165990 Kabul Domestic Service in Pashto 1530 GMT 17 Jul 90

[Text] The organs of the Ministry of State Security today carried out mopping up operations in the surroundings of Shakardara district.

The military section of the BIA [BAKHTAR INFORMATION AGENCY] reported that 35 (?Meza'el type) surface-to-surface missiles, 87 artillery shells and 10 rocket launcher shells, deployed by the extremists for launching on the residential regions, were discovered on time and removed with the cooperation of the peace-loving local people.

The organs of the Ministry of State Security today carried out mopping up operations in the surroundings of Kabul Province for preventing terrorist actions by the extremists.

According to the report of the military section of the BIA, 142 kilograms of plastic-type explosives, 30 mortar mines, and one communications set were discovered and seized during these operations.

Military Operations in Takhar, Samangan Provinces

LD1707170290 Kabul Domestic Service in Pashto 1530 GMT 17 Jul 90

[Text] Units of the Armed Forces based in the provinces of Takhar and Samangan recently mounted clearing up and combat operations in Yangi Qala District, Darqad subdistrict and in the area of Samangan Province. BAKHTAR INFORMATION AGENCY's military section reports: As a result of the clearing up and combat operations carried out with all-round cooperation from our peace- loving people, 57 people associated with the Gulbuddin extremist group were crushed in the area of Takhar Province, and 32 others including Amanollah deputy ringleader have been wounded. Some 11 people were also crushed in the area of Samangan Province.

Mujahidin Reportedly Active in Herat, Vardak

BK1607160190 Islamabad Domestic Service in Urdu 1500 GMT 16 Jul 90

[Text] According to reports received from Afghanistan, mujahidin have killed many Kabul regime soldiers in various parts of Herat Province. In a three-day operation in various districts of Herat Province, the mujahidin killed about 60 Kabul regime soldiers.

According to a report, about 200 Kabul regime soldiers and militiamen have joined the mujahidin bringing along with them their arms and ammunition. Reports have also been received that the mujahidin have destroyed a Kabul regime post near the capital of Vardak Province.

Bangladesh

Border Guards Exchange Fire With Indian Troops

BK2007062390 Hong Kong AFP in English 0546 GMT 20 Jul 90

[Text] Dhaka, July 20 (AFP)—Bangladeshi and Indian border guards exchanged fire near an area of Bangladesh where insurgents are active, newspapers here reported Friday [20 July]. The reports, quoting official sources, said men of the Indian Border Security Force (BSF) opened fire on an outpost of the Bangladesh Rifles (BDR) in Khagrachari hill district's Asalong area on Wednesday [18 July], adding that the two sides exchanged fire some time.

The BSF personnel, who at one time entered Bangladesh territory, were pushed back by the BDR, the report said. The BSF was possibly giving cover to outlawed Shanti Bahini insurgents entering Bangladesh territory, it alleged.

Shanti Bahini rebels killed three Bengali-speaking Moslem settlers and injured five in a raid early Thursday [19 July] in the same district, officials said. The insurgents, mostly drawn from the Chakma tribe, are fighting a 16-year bush war demanding autonomy and expulsion of the settlers from the scenic hill region.

BDR officials here were not available for comment.

India

Prime Minister Rules Out Kashmir Plebiscite

BK2007080090 Hong Kong AFP in English 0751 GMT 20 Jul 90

[Text] New Delhi, July 20 (AFP)—Prime Minister Vishwanath Pratap Singh Thursday [19 July] rejected a Moslem secessionist demand for a plebiscite in disputed Kashmir where militants are spearheading a campaign against Indian rule in the region.

"Plebiscite is out of context," the premier told a news conference here, adding that all issues will have to be solved bilaterally with Pakistan and within the spirit of the Simla agreement.

The 1972 accord supports non-military means for settlement of issues between India and neighbouring Pakistan, which have fought two out of three wars over Kashmir since 1947.

Mr. V.P. Singh's statement followed the conclusion of Indo-Pakistani talks in Islamabad Thursday on the Kashmir issue. The talks ended without major agreement.

Moslem secessionist groups in Kashmir, India's only Moslem-dominated state, say a United Nations-sponsored plebiscite should be held to enable Kashmiris to decide their own political destiny. More than 850 people have died in the turbulent state so far this year in violence linked to the secessionist drive. India and Pakistan were pushed almost to the brink of a fourth war when the Moslem campaign gained momentum earlier this year. New Delhi accuses Islamabad of training and arming Kashmiri militants, an allegation denied by Pakistan.

Highlights Government's Stability

BK2007094790 Delhi Domestic Service in English 0830 GMT 20 Jul 90

[Text] The prime minister has ruled out that there is any threat to the stability of his government and expressed the confidence that it will continue for a full five-year term. Addressing a crowded press conference in New Delhi this morning, he allayed the apprehension that the crisis in the party and the government can erupt again, threatening the stability of the government. He said the National Front government has emerged stronger from the recent political crisis. We have a smooth mechanism to deal with any problem now within the party and with the National Front constituents and friendly countries.

Replying to a volley of questions, Mr. V.P. Singh denied that there has been any deal with the deputy prime minister, Mr. Devi Lal, as reported in a section of the press. He said he has received a letter from Mr. Devi Lal demanding action against some ministers who resigned in the wake of the Haryana developments, and has sought further information from the deputy prime minister.

Replying to a question about his desire to step down, Mr. V.P. Singh said he is in office only because of the trust of the people, the National Front, and the supporting parties.

In reply to a question regarding strengthening of coordination with supporting parties, the prime minister said it has been decided to have regular interaction with them at the party level. Mr. V.P. Singh said it has been decided that chief ministers of the National Front will meet every month along with their cabinet ministers for better communications within the front.

Earlier, in his opening statement, the prime minister listed achievements of the National Front government during its seven months in office. He said notable among these are improved center-state relations, strengthening of democratic institutions, autonomy of radio and Doordarshan even before formal autonomy could be granted, formation of judicial commission, electoral reforms, and the Lok Pal bill [bill appointing ombudsmen in the provinces].

Referring to Kashmir, the prime minister said even the United States has shown great appreciation for India's position. He said many Arab countries have also endorsed our views and want that the issue be resolved bilaterally under the Simla Agreement.

On foreign relations, Mr. Singh said there has been improvement in friendly ties with the neighboring countries.

Referring to the present situation in Sri Lanka, Mr. Singh said it is causing great concern to us. He also referred to his forthcoming visit to the Soviet Union and hoped that it will further consolidate relations between the two countries.

Curfew Imposed in Jammu After Shooting Incident

BK2007101290 Delhi Domestic Service in English 0240 GMT 20 Jul 90

[Text] In Jammu and Kashmir curfew has been imposed in Jammu city since this morning following an incident of indiscriminate firing by some unidentified men and two bomb blasts yesterday. Two persons were killed and five injured, when some miscreants fired indiscriminately from a Maruti Gypsy near (Bommat Chowk) last night. The victims belong to Gurdaspur in Punjab. A manhunt has been launched to nab the culprits, who managed to escape after committing the crime.

Earlier in the day, the city witnessed two bomb explosions in the offices of the divisional commissioner and the deputy commissioner in which five persons were injured.

Army Called Out

BK2007101690 Delhi Domestic Service in English 0830 GMT 20 Jul 90

[Text] In Jammu and Kashmir, indefinite curfew continues in Jammu City. The army has been called out to assist the civil administration to maintain law and order. Raids were conducted in some parts of the city during the night and 10 persons have been arrested in connection with last night's firing incident. The state governor, Mr. Girish Chandra Saxena, arrived in Jammu today, to review the law and order situation. The state administration has appealed to the people to maintain peace and communal harmony to help the authorities in dealing with the situation.

Reportage on Tamil Nadu Views on Sri Lanka

Minister Condemns Colombo Action

BK1907134590 Delhi Domestic Service in English 1230 GMT 19 Jul 90

[Text] The Tamil Nadu chief minister, Mr. M. Karunanidhi, has said that only peaceful negotiations can solve the ethnic problems in the northeast province of Sri Lanka. Talking to newsmen in Madras today, he condemned the attacks of the Sri Lankan Navy on Indian fishermen recently.

Reacting to President Premadasa's statement that India cannot interfere in the affairs of the island, Mr. Karunanidhi said it will not be wrong to describe the current action of Colombo as aggression as thousands of innocent Tamils are massacred and they are fleeing to India as refugees. The chief minister disclosed that about 25,000 refugees have arrived in the country so far.

Strike Held Over Killings

BK2007084790 Delhi Domestic Service in English 0730 GMT 20 Jul 90

[Text] In Tamil Nadu, a 12-hour bundh [strike], which started at 0600 this morning, is total and peaceful. No untoward incident has been reported from any part of the state. The DMK [Dravida Munnetra Kazhagam]-sponsored bundh supported by most of the political parties is being observed to express the anguish of the government and the people of the state over the killings of Tamils in Sri Lanka. Since the Tamil Nadu government has declared a public holiday, all the state government offices, banks, and educational institutions are closed for the day. Central government offices are functioning with skeleton staff. Shops and restaurants are also closed.

All India Radio Madras correspondent Joseph Chandra Kumar, who went around the city, reports that barring a few private vehicles and pedestrians, the streets are deserted.

As already reported, air, rail, and bus services throughout the state will remain suspended from 0600 to 1800 this evening.

Trains coming to Madras from New Delhi and Calcutta have been halted at various stations in Andhra Pradesh. Loading and unloading operations in the Madras port trust have come to a complete standstill.

Pondicherry is also observing a complete bundh to protest against the killings of Tamils in Sri Lanka. The union territory administration has declared a public holiday today.

Iran

Karrubi: U.S. Reveals 'True Nature' Over MKO

LD1907143490 Tehran IRNA in English 1014 GMT 19 Jul 90

[Text] Tehran, July 19, IRNA—A senior Iranian official Wednesday [18 July] expressed satisfaction over the U.S. support for the Iraq-based Monafeqin terrorist group (MKO) "since it reveals the true nature of the both sides".

"In fact we should mourn the day when the U.S. Congress and administration praise us," said Majlis speaker Hojjat ol-Eslam Mehdi Karrubi addressing the head and a group of senior officials of the headquarters and provincial branches of the social security organization.

Some 162 members of the U.S. House of Representatives in a letter on Tuesday backed the MKO terrorist group and attacked the Islamic Republic of Iran. Karrubi referred to enumerable crimes committed by the MKO against those whose only sin, he said, was being a member of 'Hezbollah'.

Elsewhere in his speech Karrubi pointed to the crimes the Saudi regime has committed in the past few years in massacring Haj pilgrims, "the last of which is the recent Mina Tunnel stampede". "Where are the U.S. human rights organisations to question why these innocent Haj pilgrims have been killed?" he argued.

Hojjat ol-Eslam Karrubi was later briefed by the head of the organisation Dr. Abulfazl Gharazi [name as received] on the current activities and future programs of the organization.

Majles Deputy Claims Saudis Plan To Cancel Hajj

LD1807211490 Tehran IRNA in English 1655 GMT 18 Jul 90

[Text] Tehran, July 18, IRNA—Majles Deputy Fakhreddin Hejazi said in a commentary in the Persian daily Keyhan Wednesday [18 July] that the Saudis are weighing a proposition for total cancellation of the annual hajj ceremonies since their various devices for de-politicizing the ceremonies have all too obviously failed. He said in part:

"Lexically 'mana' means 'a place in which to pour', and 'qorban' means 'closeness, nearness and proximity.' And in the terminolgy of the most sacred of all religions 'mana' in the sacred land of mana the sacrificing of a sheep is one of the various rituals of hajj which brings man closer to God.

"In the divinely-ordained affliction and the manifest heavenly ordeal the Prophet Abraham (PBUH) [peace be upon him] received divine command to sacrifice a human being before God. And a noble and intellectually full-developed human being who happened to be Abraham's son, and the essence of essence and the portion of his physical self both triumped in the scame of that affliction, and Abraham put the knife on the throat of his son and Ismail wholeheartedly accepted the tingle of the cutting blade, and God delighted and the angels were filled with excitement and wonder, and Gabriel then gifted a ram to Abraham on behalf of God to sacrifice same in lieu of Ismail.

"And in the course of that the Satan became blusterous. He came to Abraham three times to prevent him from sacrificing his son each time Abraham, the friend of God, pelting stones at him. [sentence as received] And since that time it became a duty for pilgrams to throw stones at the columns of the Satan, and sacrifice a sheep before God so that they become closer to their subject of worship, and such has been the rites for worshipping that divine oneness, and for reunion with the divinity.

"But with the passing of time that noble practice was abandoned and the lords of blasphemy who were arrogant power wielders and greedy gold hoarders transformed the Ka'bah of the divine oneness into a place for idols, and who sacrificed sheep before such idols as Baal and Habl, and who sprinkled the blood of the sacrificed animals at the foot of the same idols until Islam made its advent, and the messenger rose to shatter the idols, and to sanction sacrifice only before God, who built the hajj (pilgrimage) ceremony on the path of the cognition of God's oneness, who sactified mana, who made it a duty on man to throw stones at the Satan, and to sacrifice animals as a prelude to circumferencing the Ka'bah during the hajj. And hajj is a symbol of obliteration of polytheism and proof of tawhid [monotheism].

"And such was the practice of all prophets, and the slogan of them all who said: 'I shall worship three and shall keep away from the idols.'...

"It is obvious that as every year thousands of pious believers circumambulate the Ka'bah and declare their hated of unbelievers, and throw stones at the satan and sacrifice sheep before god, and when the flames of a sacred wrath against all idols and unbelievers should well up to the welkin it shall burn the safe quarters of the earthly satans and of the power wielders and shall destory same...

'And today they want to divest the Kaibah of its very soul, and to ravage its spirit. They want to maim it, and to perform its various rites in a manner benefiting the satans and the colonialist unbelievers...

"And the Iranians who were the only true circumambulators of the Ka'bah were banned from hajj, and on the next year the Saudis blasted bombs in the gatherings of the pilgrims and thereby killed a group of innocent pilgrims and killed some people on charges of having designed that criminal act, and no one raised a voice of protest...

"I warn all Muslims that to remember that the Saudis having realized that they will no longer have a trouble-free hajj, have been thinking of cancelling the ceremony, a decision being adopted in the Royal Palace of Riyadh in the presence of the U.S. and Israeli security advisers in a bid to suggest insecurity in hajj and thereby prevent Muslims from making pilgrimage to the Holy Mecca and eventually cancel this lofty worship of the only God which is also a gesture of anti-colonialistic implications.

"It rests on the shoulders of all Muslims to stand to such a threatening plot, and to establish councils of alert theologians from all Muslim countries and from all Muslim groups in order to issue a verdict for condemnation of the Saudi rulers and for disqualifying them as superintendents of the holy shrines in Saudi Arabia and for establishing an international Islamic council for administering the affairs of the holy shrines in Mecca and al-Madinah, and let them rest assured that help from God is soon to come."

*Editorial Details Economic Corruption Problems

90AS0082 Tehran RESALAT in Persian 7, 9, 10, 11, 12, 14, 23, 24, 25, 26 Apr 90

[7 Apr pp 1, 12]

[Text]

Serious Struggle Against Economic Corruption

Part I

Ahmad Tavakoli

Beginning approximately in the year 1361 [21 March 1982-20 March 1983] when the problems of inflation and intensified class division gradually emerged, two views on how to deal with economic problems in the nation's political life appeared. One view of how to solve the economic problems entails a belief in participation by the people in economic affairs and eliminating monopolies by the government or private individuals and groups, combined with government supervision and control.

According to the other view, the centralization of economic affairs in the government would prevent plundering by the private sector, prevent a minority becoming wealthy, and solve the economic problems.

Adherents of this view tried to blame "economic terrorists" exclusively for the serious state of economic affairs and the problems of the people such as inflation, high prices, and shortages, and their solution to solve the people's daily increasing problems is a "propaganda campaign against economic terrorists."

The interesting thing here is that the need to deal with the bad apples has always been emphasized, but there have always been complaints about gaps in the law, and at the same time no practical or significant steps have been taken.

Let us accept both of these points of view. There is no doubt that in years past a minority in the country was busy plundering the nation and the public treasury and sought to amass wealth or sometimes even to overthrow the Islamic-people's government by abusing various methods. Again, there is no doubt that making concessions to criminals and abusers has had and has no effect other than to make them bolder and to disappoint forces who are sound and who believe in the government and the nation, and consequently to intensify oppressive class differences and discourage the people. For this reason, we have always regarded it as our duty to advocate dealing decisively with economic violations and crimes, and in some cases this has had political dimensions.

When a merchant collaborates with a factory, whether private or government, to sell a significant amount of its goods on the black market against government regulations, when he makes millions of tomans from the pockets of innocent consumers, when he makes a millionaire overnight of the manager of that industrial unit, or when another upstart pays a bribe and obtains authorization to import a product, and pockets millions of tomans just by selling that authorization without going to the least bit of trouble, when, disregarding the regulations on the sale of public assets, some public organization sells to an engineer a mall in a crowded location in the north part of the city for one-eighth its value that has 2,000 square meters of land and 18,000 square meters of stores, and when the bank loans this engineer the money for this piece of property without regard for an expert's opinion, and then this engineer, and clearly his collaborators, are made millionaires from the pockets of the nation, when, according to a former official for the government penalties law, there were 27 files like the one on Saipa [manufacturer of Renault cars in Iran], but we only saw action taken on one of them, when some acting director of the Ministry of Commerce Center for Procurement and Distribution plunders billions of rials by collaborating with foreign companies on the one hand and with the greedy domestic private sector on the other in the validation of invoices or in the use of the domestic importer's sales profit and is now awaiting trial, when a finance company uses the deposits of the people as a limited partnership, obtains hundreds of millions of tomans in a short time just on real estate, and when companies and foundations such as Nabovat, Vedad, Reja', Al-Hadi, and others, which are apparently non-profit, are created one after the other like mushrooms by far sighted! [exclamation point as appears in persian text] insiders and begin to accumulate gold and foreign exchange and strengthen their power base with the help of their allies in the government organizations and public organizations, and when we see tens of other examples, we rightfully put more faith in the imam's (may his grave be sanctified) precious observation that the leeches in the government organizations, the bazaar, and the streets work hand in hand to plunder and abuse. It is clear that the activities of these comfort-seeking people who are in no pain and the old and new capitalists are not aimed at the interest of the nation, and will have

no effect other than to sabotage a sound economy through the illegitimate use of government and private monopolies. Certainly the judiciary must not allow itself the slightest hesitation or mercy in dealing with their violations and crimes.

In this regard, the chief of the judiciary has announced that it is the duty of the judiciary to deal with this matter in accordance with existing law, and he said that the case of the Vedad company is under review, and the high-level responsibilities of the defendant or defendants will not prevent a just investigation. Of course, it is true that the term "economic terrorist" has not been used in existing law, and none of those who have used or are using this term in propaganda have given a clear idea of what it is. At the same time, various financial abuses have been defined such as fraud, embezzlement, bribery, extortion, conspiracy on government contracts, violation of laws such as the law prohibiting involvement by government employees in specific transactions, violation of legal regulations, selling at high prices, hoarding, and others, and penalties have been provided for each one. If there are also political objectives behind the economic measures (and this is usually the understanding of the term "economic terrorism"), the offenses will be dealt with by revolutionary courts in accordance with the law dealing with sabotage to the nation's economic system, with the heavy penalties that apply. It may thus be said that there has been no gap in the laws in all these past years, and one does not exist now. The only thing needed is for the judiciary, which has in recent months shown new signs of movement, to act more quickly in this area, and in other instances, the judiciary must not announce such crimes confidentially, so that the people will be directly informed of events in this matter and there will be fewer rumors.

In the midst of this, in his speech of 12 Farvardin [1 April] the Majles speaker emphasized the point that the Majles is prepared to eliminate any legal obstacles. This willingness should be taken as a good omen. The political role of the Majles to protect the judiciary while it deals with such accusations is more important, because, as was said, there appears to be no gap in legislation.

The respected speaker of the Majles emphasized the important point that "the era of slogans is over, and work must be done. Of course I do not believe in solving economic problems through the use of force, but one way is for the economic terrorists to understand that there is also a decisive encounter."

The above truth is not something that can be ignored. That is, one must not ignore the point that as long as there is a swamp for such leeches to grow in, it will be simply fruitless to fight them. The appearance and growth of such parasites is caused by the disorderly economic situation, which itself comes about as the result of improper policies in treatment of the patient. Of course, these are not one-way relationships, and these leeches themselves effectively intensify the economic abnormalities. Clearly, now that the government's efforts are based on the views of the imam of the nation (may God have mercy on him) and the exalted leader of the revolution aims to reform the nation's economic methods, there is a greater necessity for a decisive encounter with the economically corrupt concurrent with fundamental reforms.

God willing.

[9 Apr pp 1, 12]

[Text]

Part II

Ahmad Tavakolli

Saturday's editorial emphasized the point that it is necessary for the judiciary to deal with the leeches in the government, the bazaar, and the streets, slogans for which have been repeated for years, but no significant action has been taken. Recently the judiciary has begun to deal with some instances of this, such as the case of the Zarghamfar family and the case of the Vedad Company, but there is still criticism of a lag in the activity. At the same time, the truth has also been expressed that priority must be given to changing the settings that generate corruption through reforms of the economic, social, and cultural policies and methods in the campaign against economic corruption. Otherwise, as long as the settings for crimes remain, punishments, even with executions, will not have a decisive effect. This essay continues with an examination of the probable roots of economic corruption.

Perhaps economic problems and corruption may be reliably classified as follows:

- High prices and unemployment
- Selling at high prices and hoarding
- Conspiracy in the signing of official and unofficial contracts
- Extortion and bribery
- Monopolies, discrimination, and gross and oppressive class violations

An effort will be made to delineate briefly the roots of these forms of corruption, and to show their effects upon one another. The matter of inflation has been examined repeatedly in RESALAT's articles and editorials, and it has been shown that its long-term roots go back to the former regime's warped economic structure, and that it intensified after the year 1360 [21 March 1981-20 March 1982] on the one hand because of the sharp increase in currency in circulation and on the other because of the reduced amount of goods and services on the market.

At the end of the year 1367 [21 March 1988-20 March 1989] the amount of currency in circulation in the private sector was 15,328 billion rials, yet in 1360 [21 March 1981-20 March 1982] it was 5,111 billion rials. That is, it tripled in seven years. These increases came about chiefly because of continuous budget deficits, which peaked in the year 1367 [1988-89]. In that year the budget deficit was 2,146 billion rials, or more than half

the expenditures. These continuous budget deficits created a great accumulated debt for the government to the nation's banking system of 12,000 billion rials. The other side of this coin was the printing of currency notes, the devaluation of the people's money, and the reduction of their buying power.

Of course, war expenses form a significant part of this indebtedness, but a relatively precise accounting shows that war expenditures made up a maximum of 15.3 percent of all the government's expenditures. Even if the war expenditures were borrowed directly from the Central Bank, that would still be only about 40 percent of the government's indebtedness, and the remaining three-fifths of the indebtedness would be for other expenditures such as the unbridled expansion of government organizations. As an example, we need only cite the 223,000 hirings done in 1364 [21 March 1985-20 March 1986].[1]

On the other hand, the gross domestic product in the same years, however erratic, actually decreased sharply on a per capita basis in light of the growth in population, declining from 90,000 rials in 1361 [21 March 1982-20 March 1983] to 55,500 rials in 1367 [21 March 1988-20 March 1989]. There is no doubt that the war and foreign pressures had an effect on this matter, but policies centralizing production and ineffective management of government centralization and centralizing methods in domestic and foreign commerce had a significant effect in the appearance of this imbalance. This situation developed at a time when a great part of the nation's commerce and production came under government monopoly. If during those days criticism of expanded government intervention was called opposition to the lawful government by those supporting those policies, and if the necessary attention was not given to the imam's (may God have mercy on him) repeated urging to prevent nationalization of affairs, things gradually got to the point that the former government itself, in the First Plan Bill, which it presented to the Majles in the last days of its tenure, acknowledged:

"It is worth noting that the inflation caused by the government's financial policies has itself caused the buying power of the government's budget to decline, and because the budget has not kept up with the pace of inflation, the positive effects of the government's budget in economic activities have gradually diminished. Currently the public sector consists of all activities pertaining to crude oil, natural gas, rock coal, electrical power, gas, communications, financial institutions and insurance, public services and defense, and it has the major share of other activities such as industry, water, social services, and transportation. A significant point with regard to industry is that according to existing statistics, the share of added value from public sector factories is 73.5 percent of the total added value from all the industrial factories, its share of employment is 72.8 percent, and the share of public sector investment in industry is estimated at 65.3 percent. Therefore, it is evident that in the event of the continuation of all the government's dimensions and duties in the production, commerce, distribution, and public service sectors, in view of the growth in population and the general level of prices, every day government responsibilities will expand and its resources will contract."[2]

In the continuation of the article, we will cover the other previously mentioned parts.[3] God willing.

Footnotes

1. Publication 80 of the Manpower Office of Statistics and Planning, National Administrative and Employment Affairs Organization, Fall 1364 [1985]. Complete statistics for all years were not available.
2. Supplement One of the First Plan Bill, Chapter One, pp 2, 3, Mordad 1367 [23 July-22 August 1988].
3. The rest of the figures and estimations are presented using the yearly budget rules and regulations and the ammendment of the plan law.

[10 Apr pp 1, 12]

[Text]

Part III

Ahmad Tavakolli

In the previous installment we discussed the roots of inflation, and in this issue we will take up the role of these policies in reducing supply and increasing unemployment.

Financial and economic policies in years past have each year caused increases in the government's current budget and a decrease in development expenditures. Reduced investment for development work will decrease production or the context for production in the future. In the year 1360 [21 March 1981-20 March 1982] the share of development expenditures in the total budget was 23.5 percent, and it declined to 17.6 percent in 1367 [21 March 1988-20 March 1989].[1] In many areas, as was mentioned in the previous issue, work has been concentrated in government organizations with little room for activity by the people so that they may invest. At the same time, vigorous and constant slogans were given in political-economic propaganda, and no practical distinction was made in the propaganda between the wasted and illicit wealth of hoarders, capitalists, and leeches, and the religiously lawful capital of the people who wanted to be active in sound production. Consequently, popular interest in investing sharply declined, and this was exacerbated by the long administrative lines resulting from the expanded bureaucracy and by the lack of public confidence.

Statistics make this truth even clearer: Net per capita investment (in fixed rials with a base year of 1353 [21 March 1974-20 March 1975]), which was 9,157 rials in 1360 [21 March 1981-20 March 1982], dropped to 3,880 rials in the year 1367 [21 March 1988-20 March 1989], meaning there was less than half the net per capita investment in 1367 [21 March 1988-20 March 1989] that existed in 1360 [21 March 1981-20 March 1982].[2]

Another important point is that since work was not done according to proper planning, previous investments deteriorated sharply. This process was intensified each year so that the ratio of amortized investments to investments made (gross investment) was 37 percent in 1360 [21 March 1981-20 March 1982], but in 1366 [21 March 1987-20 March 1988] it reached 55.5 percent,[3] meaning that more than half the investments made in one year were subtracted from previous investments.

Later we will see that these economic and propaganda policies led to the proliferation of careless investors, and it had the effect of reducing our production capability each year (per capita), and undermining overall supply. While it increased pressure on the oppressed, it increased the hordes of the unemployed. A look at the statistics on employment and unemployment shows that the number of unemployed increased each year so that the rate of unemployment (percentage of unemployed of total working population) went from 13.6 percent in 1360 [21 March 1981-20 March 1982] to 15.2 percent in 1366 [21 March 1987-20 March 1988]. In other words, more than two million people were absolutely unemployed last year. If we also add hidden unemployment and false employment, 48 percent of the nation's active population was unemployed or did not have an effective role in production in 1366.[4]

In recent years the employment mix has changed to the detriment of the production sectors and to the advantage of the services sector. Over the 10 years ending with the year 1365 [21 March 1986-20 March 1987] the agriculture, industry, and mines sectors lost a total of 395,000 their workers, while during the same period 1.950 million workers were added to the service sector work force.[5] This increase in the government services sector was the result of expanded government intervention, and in the private sector most of this was in non-useful services. As an example it may be mentioned that the Ministry of Commerce in Tehran has 25 large buildings for carrying out the service activities it has taken on.

A study of the Administrative and Employment Affairs Organization shows that in order to carry out their production and commercial activities, the people must report to the proper ministries repeatedly, and it takes up to 12 months to obtain a license to operate a factory. That is, after going through the many steps to prepare a factory for production, its owners must then wait up to a year to put it into operation. The administrative steps investors must take in production and official and legal trade are so numerous that if the system worked properly and did not require all this intervention, even in the view of executives in charge 60 percent of the steps in the Ministry of Industries and 95 percent of the steps in the Ministry of Commerce are not necessary. It will be interesting to mention an example of crippling production by the government centralization system, which has caught the government itself by the neck.

The Mobarakeh Steel Project is one of the nation's very important projects whose expenditures budget is outside public accounting regulations because of its importance. To supply this important industry, the Gol Gohar Mine must be readied. To import equipment for this mine, the Ministry of Mines and Metals, under these same crippling regulations, was required to obtain the approval of the Ministry of Commerce Center for Procurement and Distribution. It is unbelievable that this task took from Esfand 1364 [20 March-20 February 1985] to Khordad 1368 [22 May-21 June 1989], and we still do not know if the task has been completed or not. In future installments we will see how this unhelpful process has become an avenue for the growth and activity of leeches, and if we do not help the president of the republic to form proper economic policies based on the imam of the nation's clear orders (may his grave be sanctified) and those of the exalted leader of the revolution, the death penalty alone will not end corruption and resolve economic problems.

Footnotes

1. Budget Law for 1362 [21 March 1983-20 March 1984], and the Budget Bill for 1369 [21 March 1990-20 March 1991].
2. Statistical Yearbook for 1367 [21 March 1988-20 March 1989], Iran Statistics Center. The base price for 1353 [21 March 1974-20 March 1975] means that the effects of inflation in the years mentioned are considered in the apparent effects of investment, meaning that the real purchasing power is roughly observed.
3. Calculations using the Statistics Yearbooks for the years 1361 [21 March 1982-20 March 1983], 1364 [21 March 1985-20 March 1986], and 1367 [21 March 1988-20 March 1989] published by the Iranian Statistics Center. The figures for investment and amortization at fixed prices with the base year of 1353 [21 March 1974-20 March 1975] for these two years are 562.8 and 208.4 billion rials respectively in the year 1360 [21 March 1981-20 March 1982] and 444.8 and 246.9 billion rials in the year 1366 [21 March 1987-20 March 1988].
4. Annual Report for 1361 [21 March 1982-20 March 1983] from the Central Bank and the 1366 [21 March 1987-20 March 1988] Economic Report from the Ministry of Plan and Budget.
5. Supplement One of the First Plan Bill, Plan and Budget Organization, Mordad 1367 [23 July-22 August 1988].

[11 Apr pp 1, 12]

[Text] Serious Struggle with Economic Corruption—[Part] IV

Ahmad Tavakolli

In the previous installments it was stated that to confront economic corruption its roots must be identified, and that the slogan "deal with economic terrorists" will not solve the problem. Although it is a necessity to take steps against the corrupt and the abusive, and countless opportunities to do this have been lost in the past, in looking at the roots of the problems it became clear that inflation and unemployment, themselves forms of economic corruption produced by many other corrupt things, have mostly been exacerbated by putting economic affairs

under state control. In this installment, we will examine their effects in the appearance or strengthening of other forms of economic and social corruption.

Before beginning, the important fact must be emphasized that the main roots of this corruption go back to cultural issues and weak belief or non-belief in the hereafter and other religious fundamentals. For this reason there will be no lasting and real change in any of the individual and social ways of life without changes in the attitudes of mankind towards worldliness and the next world, and towards pleasing God instead of worldliness. It is from this perspective that in Islamic thought there is no separation from ethics and economics. Therefore, for the establishment of a sound environment and a society that is as far removed from corruption as possible, long-term cultural work is a certain necessity. However, the mixture of the various facets of human life which are also combined in close relationship with Islamic commands and values requires that we pursue the areas of cultural growth and progress by implementing the economic, judicial, and social commands. For this reason, in these writings we are trying to look at the issues from an economic perspective, and to emphasize the necessity for economic change, which is more fundamental than judicial and propaganda approaches.

Selling at high prices and hoarding appear under conditions where marketing work is less than demand and where the abundance of money in circulation increases demand every day. An inflationary situation means to each seller that it is profitable to delay selling, especially in a situation where distribution is centralized and done at various prices. Every wholesaler or petty merchant who puts profit first will try to obtain his government authorization for goods at the lowest possible price, and to sell them at the highest possible price. That is, when we keep printing more currency notes without increasing domestic production and without support, we decrease the value of the money, we reduce the purchasing power of the oppressed people, the desire to sell at high prices and to hoard is strengthened and in reality taxes are unjustly imposed on those with fixed wages, because the wealthy profit from the circulation of money in inflationary conditions.

Apart from the effects of financial policies on this issue, extensive government intervention in the production and distribution of goods also has a significant effect on selling at high prices and hoarding. For example, when the issuance of authorization to import a necessary good takes several times longer than necessary, or when the authorization to build a production factory is not given at the right time, or when a good is not distributed at the proper time, we give the opportunity to the merchant or producer who procures that good, whether private or public, to make maximum abuse of the delays. Preventing the people from being active in economic areas by making improper decisions and the automatic hoarding arising from putting affairs under government control has the same effect on selling at high prices and hoarding. We will give several examples.

In 1367 [21 March 1988-20 March 1989], when potatoes became expensive—mostly due to shortages in the production cycle, prices reached the point that it was worthwhile for farmers to sell crops they had put aside for the next year's seed, because they took the traditional view that prices would be low the next year. This matter was officially mentioned to the government of the time twice by concerned merchants, and they warned that if a small amount of seed were not imported, in the following year (1368 [21 March 1989-20 March 1990]) we would see astronomical prices for this crop. Unfortunately a timely decision was not made and we saw the way production was severely reduced. The way was left open for the profiteers, and more was imported as well, although not for production but for consumption. This year when the government set prices for potatoes and undertook to buy crops, some economic and political circles, including the newspaper RESALAT, said that the price set was not reasonable and that farmers would refuse to sell. This is what happened, and RESALAT supported the religious merchants of Qom who easily sold potatoes to the people through small merchants by buying them from farmers at a price 20 rials higher. When the Ministry of Commerce threatened them with prosecution and punishment, Qom, like Tehran and many other places, had a potato shortage. Who profited from these measures? The consumer? The farmer? The government? Or those who are selling at high prices and hoarding?

The decision by the governor-general of Gilan last year to prohibit the export of rice from that province instantly increased the price of rice throughout the country from about 800 rials per kilogram to 1200 rials. At that time, while reporting this fact, RESALAT warned that if this illegal decision were not immediately rescinded the artificial prices that had been set for new rice that was scheduled to be marketed several months later would go into effect, and at the same time rice would not be cheap even in the province of Gilan, instead hoarding would be intensified. Unfortunately the relevant organizations did not react appropriately. All of the two or three problems anticipated occurred, and they were obliged to import rice for distribution even to the common consumer in Gilan!

Several years ago the Ministry of Commerce, without taking into consideration the power of production and the nation's consumer needs, imported considerable quantities of penlight batteries. The Fars Power Company also had large amounts of stored production. The Ministry of Commerce Center for Procurement and Distribution, wishing to sell the imported batteries as soon as possible, did not authorize Pars Power to distribute them. Because wholesaling without government authorization was illegal, the struggle between these two institutions and the government company took so long that 60 million penlight batteries went dead in the factory's warehouses and 200 million tomans were lost by the Fars Power Company. While the factory warehouse and the center for procurement and distribution were filled with spoiling batteries and the nation's capital, the market remained in need of batteries. Most of the profit went to those who had the batteries in their

warehouses: Those who are selling at high prices and hoarding! What is the source of the problem?

In the news reports last year we read that the Government Penalties Staff had discovered large warehouses filled with hundreds of thousands of items of household merchandise from refrigerators to televisions and other goods. Then the commotion suddenly subsided and after follow-up from the press a brief explanation was given that the goods did not belong to profiteers, but rather the Shahed Company, and that they had been collected for distribution to the families of martyrs! If we regard this decision as 100 percent correct and even if we do not envision any abuses, this process of centralization and improper distribution means that goods needed by the people will remain unavailable for long periods of time and the market demand will be higher, and consequently there will be abuses by those who are selling at high prices and hoarding.

The prohibition on effort by the people in commerce and lawful production has the same effect on selling at high prices and hoarding, so that several years after the imam's (may his grave be sanctified) repeated emphasis, finally the people were permitted to import some goods without government foreign exchange. As soon as the names of goods to be imported without the transfer of foreign exchange were announced, the prices for those goods dropped significantly in the market. Why? Because competitors entered the market and it was no longer economical to hold goods and sell them at higher prices, or it was not possible. The announcement of the project to import 131 types of goods with competitive foreign exchange had this effect as well, right at the beginning, for it was a measure against selling at high prices and hoarding.

When inflation is intensified because of continuous budget deficits and damage to centralized production, the government must legally raise prices for goods and services to make up for the budget deficit. For example, in the budget laws for 1365 [21 March 1986-20 March 1987] and 1366 [21 March 1987-20 March 1988], a variety of goods and services produced and marketed directly by the government became expensive.

Perhaps these examples are sufficient to establish the fact that the economic embargo and the lack of healthy competition produce much of the economic corruption. That is, in such a situation the greed of the avaricious and the cravings of those who amass wealth will see greater growth.

To be continued

[12 Apr pp 1, 12]

[Text] Serious Struggle with Economic Corruption—[Part] V

Ahmad Tavakolli

In the previous installments the role of the policies of centralization in intensifying the greed of those who are selling at high prices and hoarding was studied. We will now consider other forms of corruption that threaten the economic life of the Islamic society.

Conspiracy between elements in the government sector or elements in the private sector or both of them with each other in foreign or domestic transactions, whether in official or unofficial contracts, has given rise to much corruption, which has clouded the vision of an independent nation, a healthy economy, and the deprived people, and has mostly benefitted those who amass wealth.

Of course, some illegal contracts were apparently signed to increase the profits of some organizations and companies, although in such instances there were flagrant abuses by individuals and groups to various degrees. Below we will give several examples to make it clear where to start if the judiciary is to deal with economic corruption, or as some of the gentlemen say, economic terrorists. We will also show the roots of this corruption in economic terms and show what policies and procedures must change.

The acting director of a large government company, which is in constant need of foreign technical equipment for expansion and maintenance, took bribes on numerous occasions in conspiracy with various foreign companies of different nationalities. The total acknowledged foreign exchange, if computed at the free market price, is 1.2 billion tomans. He is now in detention. If a government manager had not been treated as being more reliable, wiser, and more efficient than all the people and if the possibility of competing had been given to the people for the procurement of that company's technical needs or that of comparable government companies, the equipment would have reached the government organization more inexpensively, the government manager would not have been drawn into corruption, dependency (or the selection of more suitable goods) would not have been intensified, and instead of increasing the profits of foreign companies, the nation's capital would have found legal areas for activity, and consequently lawful taxes would have been collected.

The acting director of a procurement and distribution center affiliated with the Ministry of Commerce, upon obtaining the invoices on his imported goods, delayed the goods and while contacting the foreign company to validate the invoices and do the Iranian or foreign side of the transaction, he asked for a commission or a percentage. On the other hand, after the goods were imported, since 70 percent of the goods had to go through the center to the importer, he asked the importer to give him some of his distribution allotment, or after collaborating with special companies abroad, he validated only those invoices pertaining to that company. Clearly the foreign company or the domestic private sector not only added the costs of bribery to the price, but when he saw the village head man, he also plundered the village at very high prices! This individual is also awaiting trial in prison.

If improper monetary policy had not made it necessary to put countless controls on foreign trade, and if work had been put in the hands of the people with government supervision and control, as the imam (may God be pleased with him) said years ago, such crimes, which are unfortunately quite numerous, would be greatly reduced. The disorder produced by putting foreign trade in the hands of the government and the abuses of the analyses that have been done in this regard are quite numerous. In the years from 1359 to 1367 [21 March 1980-20 March 1988] our total foreign exchange income was $166.6 billion,[1] at least $130 billion of which was spent to pay for non-military imports. Setting suitable prices for hundreds of thousands of types of goods, which requires very complex specialties, is not completely within the capabilities of the Ministry of Commerce Purchasing Center. In the centralized system there is no competition to reduce prices. If we estimate that the expensive purchases caused by the inefficiency of the centralized system or the abuses that have been done are at least 10 percent, about $13 billion of the national wealth has gone out of the country. This figure is accepted today with little objection by almost all the experts.

The Vedad Company, whose abuses and violations were reported first by RESALAT, and whose case is now in court, is another instance. This company is affiliated with the National Olympic Committee, and in its founding and operation many regulations have been ignored. For example, in a collaboration with Saipa it opened a foreign exchange account in its own name but it opened a foreign exchange account abroad in Saipa's name and received a commission, and on the other hand, in violation of government guidelines, it purchased Renaults in foreign exchange and rials and it sold more than 1,000 Renaults to several institutions or legal individuals, and at least hundreds of Renaults were sent to the free markets in Esfahan and Tehran by auto dealers who were among the buyers. Yet the the difference in the Vedad book sale price with that of the free market was more than 300,000 tomans per vehicle. Of course, it received "gifts" in return from the purchasers, for the National Olympic Committee! Another example of the Vedad company's disruptions in economic affairs is its monopoly imports of iron implements under the tenth anniversary of the revolution projects, using money and capital from the Pushinehbaf Company affiliated with the National Industries Organization and its distribution of part of them to government and private companies not on the list of the tenth anniversary of the revolution projects. Here the role of government centralization is evident, because things do not proceed normally and for the benefit of the people either in production or distribution.

The strange thing is that in all three instances the defendant or the defendants have good family and individual records with regard to piety and faith. That is, circumstances were such that relatively pious managers were also subject to deviation and danger, not to mention the wayward elements.

To be continued

[14 Apr pp 1, 12]

[Text] Serious Struggle with Economic Corruption—[Part] VI

Ahmad Tavakolli

In the last issue we discussed three instances of economic corruption and their roots. We will continue by discussing other instances, in which conspiracy on contracts, private monopolies, discrimination, embezzlement, and bribery will be noted.

A foreign exchange smuggling network that was recently arrested was extensively involved in foreign exchange transactions on the free market. It used strong financial backing, speculation, and the circulation of money and foreign exchange to set the price of foreign exchange, especially after the beginning of the government's new positive steps. This is an example of agitation in the private sector, which fortunately was confronted, and according to all the official and free experts, the basis for the growth and disruptions by networks such as this was unbalanced monetary and financial policies.

The goal of the government's new measures is to gradually eliminate the conditions that favor dealing in foreign exchange, and its complete success depends on many factors.

Last year a public foundation, which experienced a severe budget shortage in the fulfillment of its duties and was obliged to sell its real estate and rentals to meet its budget, conducted strange transactions in the past. For example, the former supervisor of real estate and rentals for this foundation purchased a large villa in the north of the city for the foundation in a contract he signed with the former supervisor of the foundation for 5.9 million, on the condition that the price would be paid half in cash and the remaining half over 15 years, yet the going rate for that building was several times the price of the transaction.

As was mentioned previously, another public foundation occupied a 1,800-square-meter mall with 3,500 square meters of land on Mirdamad Street after much maneuvering, but before the occupation was complete and legal, in the year 1363 [21 March 1984-20 March 1985], the mall was sold to a structural engineer for 175 million tomans. This engineer, the owner of another institute with only three million tomans capital, requested a letter of credit from a commercial bank for 150 million tomans to be used as security until completion of the building to give to the aforementioned foundation. His letter of credit was security for that same half-finished property! The bank sent an expert to study the request. The report from the bank expert at that time (Mordad 1367 [23 July-22 August 1988]) valued the building at 238 million tomans according to the trade value set by the Ministry of Finance, which itself was several times less than the going rate, while its market value was 480 million tomans. Finally, after going and coming several times, the bank finally gave its agreement by giving a letter of credit, on the condition that the key money was not to be

sold without the bank's approval, and finally the ownership of Sheshdang Molk, which had been discussed in the month of Ordibehesht the previous year [21 April-21 May 1987], was transferred from the foundation to this engineer in exchange for a payment of 235 million tomans. This respected engineer! who also owned the buildings for the two bazaars Aq Banu (formerly Chatanuga) on Vali'asr Street and Mini Golf at Vanak Square, ultimately, according to the national inspector's report, sold about 80 percent of the mall's units for 250 to 300 thousand tomans per square meter. At the same time, with the registration of another company under the name Mirdamad-e Bozorg Bazaar, he applied to another bank and borrowed hundreds of millions of rials against this same mall. The interesting thing is that in the relevant bank file, there is a recommendation from a deputy minister that the deed be expedited. The report from the national inspector shows failure to observe regulations, failure to observe the interest of society and misuse of the resources of the public treasury in the transactions by the engineer from the "private sector", the aforementioned foundation, and both commercial banks. Who were the people who divided the hundreds of millions of tomans profit from this transaction with public capital from the pockets of end consumers? It is said that support from a Majles deputy who has given and gives many slogans against economic terrorism was behind these transactions! Has the judiciary dealt with this matter?

One form of abuse and financial corruption was and is the use of the term "cooperative" to attract government assistance and private concessions and monopolies, whether they be guild cooperatives organized and administered based on the regulations of the former government, or private cooperatives enjoying the support of some political elements. For example, a very powerful cooperative that plays the principal role both domestically and abroad in the marketing of an agricultural crop, to show that it is more powerful than the private sector in the export of the crop and in the procurement of foreign exchange, apparently sold the crop for $5,500 per ton more than others, but since it had a monopoly on imports against exports, it made an agreement to buy tractors through the foreign buyer at a price 10 percent higher! to compensate for the extra expense of the domestic exports.

The same company, with enormous credit of two billion tomans obtained from a commercial bank, on the one hand entered the domestic market as the main buyer of that crop and played an important role. It sold some of the purchase at a 25 to 30 percent markup to border peddlers in exchange for a two-month check, so that they could export it using their license, on the condition that in Dubayy they would sell the product to this same company's office there at a price several percent below the market rate. To that point it had almost a marketer's monopoly, and could do whatever it wished with the foreign exchange earned. It is interesting that the associates of this company's primary administrator, who are Majles deputies!, spend large amounts of money in their area and in the country on political matters. What is the extent of the role of these monopolistic measures and the discriminatory regulations of centralization that make it easy for them to damage economic conditions?

[23 Apr pp 1, 12]

[Text] Serious Struggle with Economic Corruption—[Part] VII

Ahmad Tavakolli

The series of articles "Serious Struggle with Economic Corruption" which has been printed over the past two weeks, was temporarily suspended to make room for editorials about Jerusalem Day. The series now continues for our respected readers.

In the previous installments of this series of articles, it was stated that however necessary it may be to confront economic violators and criminals seriously, it is even more necessary to eliminate the circumstances that breed economic and social crime. Then in examining the roots of the problem and noting the necessity for social changes, it was shown that the policy of economic centralization produces inflation and high prices, selling at high prices and hoarding, conspiracy in contracts, unacceptable discrimination and other things. Relatively important examples were given that showed the link between the leeches in the government, the bazaar, and the street to abuses in amassing wealth. Of course there were and are instances where the primary goal was not to plunder the people and perpetrate personal abuses, but the result has been given because of the specific violations that took place. With the continuation of the article, several more examples will be given of the effects of government centralization in intensifying embezzlement, bribery, and scandalous and oppressive class violations, and finally we will conclude the articles with several questions for the judiciary and the Majles.

The Islamic Society Growth Foundation of Iran [Bonyad-e Roshd-e Jame'eh Eslami-ye Iran]! (Raja') was founded in 1364 [21 March 1985-20 March 1986]. The founders of this foundation were several former deputy ministers of heavy industry, Mr. Mozaheri, the former supervisor of the Foundation for the Oppressed, Hojjat ol-Eslam Bayat, Majles deputy from Zanjan, and several other national officials. This foundation gave its capital in a charter in a volume of the glorious words of God and gave as its goal economic activities towards the growth of Iran's society and announced it would spend the funds obtained for cultural objectives. The Raja' Foundation, relying on the power of its founders, extensive familiarity with government organizations, and precise information about plans and policies, concluded significant contracts between the government and the private sector prior to official announcements. In this process several companies, Raja' Commercial, Raja' Industrial, Raja' Development, and others were formed, and the foundation also opened an office outside the country.

For example, Raja' Industrial obtained an agreement in principle from the Ministry of Heavy Industries to build a spinning wheel factory, but due to administrative obstacles it was unable to carry out its project, it proposed that instead of the initial estimate of 80 million tomans, the factory should be built for it for 280 million tomans, with 40 percent to be paid in cash. With the permission of the Ministry of Heavy Industries it would import the pre-assembled wheels and sell them, use the revenue to purchase foreign exchange, to be used along with government foreign exchange to build the factory. Note these statements in a letter from the acting director of Raja': "Since Raja' is 100 percent non-profit with no goal other than service to the Islamic nation, it has compiled the following rial proposal, and it is hoped that in view of this proposal we will be able to untie the knot that has so far obstructed the above project, with the aid and assistance of the brother officials in the Ministry of Heavy Industries and in the company's management." In the text of the proposal it says: "The Raja' Industrial Company has made an advance payment with the agreement and assistance of the brother officials in the Ministry of Heavy Industries of the time, and has begun executive operations to import a number of spinning wheels to sell in order to meet some of the foreign exchange expenses." Naturally this same "assistance of the brother officials in the Ministry of Heavy Industries" ensured that before signing the contract with the private sector the Raja' Company could be certain of obtaining permission to import the spinning wheels and sell them on the free market.

In another case, the former governor-general of Mazandaran, who had been acting minister of heavy industries and remained consultant to the minister during his term as governor-general, assembled province officials to work for the Raja' Foundation, using the justification that the foundation is not private sector, it is non-profit! In the month of Tir 1366 [22 June-22 July 1987] Raja' did a 15 million toman transaction with Saipa! After several Majles deputies requested study and investigation of foundations of this type and there had been various protests, finally the Raja' Foundation Security Council on 6/26/1367 [17 August 1988] voted that all the founders of the foundation should resign and that Raja' should be called an institute instead of a foundation, and that the term "non-profit" should be deleted from its charter. In his report to the Security Council, the acting director of the Raja' Foundation gave the following as the reasons for these changes: "The brothers know that at the outset the foundation intended, to realize the principle of participation by the people, using suitable mechanisms and organizations and resources and capabilities of the people such as the use of bank credits and collecting unutilized monies, to carry out large projects that..." but then he says that since the government did not show the necessary interest (they must have expected more monetary facilities!) and "the respected security council was denied the possibility of aligning the foundation's activities with the nation's large projects, and the policies and plans of the government", and "I think that now that, praise God, the foundation has been formed and has also taken some action, it is a suitable time to make a basic revision of the foundation's security council."

This is the question: How and with what "suitable mechanisms and organizations" can a foundation that did not have even one rial of capital make use of bank credits, and what "unutilized monies" has it used? When the respected members of this security council have resigned from this 100 percent non-profit! foundation, and they have converted it from a foundation to an institute, with the "action" the foundation has taken, how much wealth and resources have been collected, and how much was spent?

When work was done by monopolies and the principle was to ruin the people, the government organizations found it necessary to issue an "authorization" for everything. Naturally, to issue an authorization, the applicant must be held to conditions, and clearly this assurance could be obtained sooner from friends, especially if their intentions are good will and non-profit! This has led to the emergence of wealthy bullies and hoarders of foreign exchange, and a new class is being created!

Lawful private sector economic activities have always been attacked because some of them might gradually acquire political power by amassing wealth! Even if such a danger exists, even more dangerous is the prospect that those in political and administrative positions will become wealthy through monopolies and concessions and deprive all the people of the power to compete. In the first case, the possibility of competition reduces the danger of vast capital, but in the second case the monopolists of big government themselves become capitalists, leaving no room for others.

The al-Hadi Foundation, which was registered on 4/28/1366 [19 July 1987], names in its charter as assets funds that it would later obtain from members of the board of directors or persons of good will, but prior to this date it had bought a cattle ranch in an auction held by the Ministry of Agriculture in Semnan for 100 million tomans. The Foundation for the Oppressed gave 50 percent of the shares of the Asia (Starlight) stocking factory to the al-Hadi Foundation. In the year 1367 [21 March 1988-20 March 1989] the al-Hadi Foundation bought the other half of this company for 110 million tomans from the National Industries Organization. Where did it get the money? From the profits of that same company! Because the products were sold at a 40 to 50 percent profit (not selling at high prices!) and the only profit registered in the offices for the year 1367 [21 March 1988-20 March 1989] was 178 million tomans. Is the price of half the shares of a company with profits like this 110 million tomans? What authorization did the National Industries Organization have to sell? Never mind the foreign exchange bank account outside the country, the Vanak Square Medical Building, the Sina Building on Sa'di Street, and the Sab Dig-e Zudpaz

Factory. The interesting thing is that this foundation also changed its name to an institute in Esfand of 1367 [20 February-20 March 1989].

Smuggled foreign cigarettes were sold by the Dekhaniat Company to the Shahed Company, and then the market was flooded with them by two non-profit! cultural organizations. How much was the profit? Who obtained it? Were the regulations for the sale of smoking materials observed? Now that people are buying cigarettes at high prices, why shouldn't the profits at least go into the government treasury instead of into the pockets of private sector plunderers and elements of the public sector?

To be continued

[24 Apr pp 1, 12]

[Text] Serious Struggle with Economic Corruption—[Part] VIII

Ahmad Tavakolli

Although we saw in the previous installments how embezzlement and bribery increase with the concentration of economic affairs in the hands of the government while considering instances of economic corruption, it is not a bad idea to take another close look at this matter.

The expansion of government responsibilities led to the increase in administrative organizations and the number of workers. For example, instead of one ministry of industries and mines, three ministries—the Ministry of Mines and Metals, the Ministry of Industries, and the Ministry of Heavy Industries—were formed, and some of the centers for procurement and distribution that were formed under the Ministry of Commerce have enough employees for an entire ministry. It is sufficient to compare the number of public sector employees in the years 1355 [21 March 1976-20 March 1977] and 1365 [21 March 1986-20 March 1987], with an increase from 1,673,000 to 3,460,000.[1] Of course, after the year 1364 [21 March 1985-20 March 1986], although hiring was prohibited in the ministries, it continued in places such as the Ministry of Industries and the Ministry of Commerce through tricks such as hiring personnel in affiliated companies and then assigning them to the ministry.

The continuation of this process had the following two results:

First, it caused an increase in the government's current expenses, so that the current non-war budget doubled from 1,225 billion rials in 1360 [21 March 1981-20 March 1982], reaching 2,535 billion rials in 1367 [21 March 1988-20 March 1989],[2] most of which was taken up by wages and salaries, but since they did not want the budget deficit to increase more, there were not that many increases in the wages and salaries of government employees. Consequently the buying power of workers became weaker every day with intensified inflation, so that if we deduct the effects of inflation in the years 1360 to 1367 [21 March 1981-20 March 1988] from the apparent increases and the slight wages to get a rough picture of buying power, we see that the buying power of the workers in 1367 was less than one-third what it had been in 1360.[3]

Second, the expanding bureaucracy increased the discretion of government workers every day, discretion that had to be exercised under various regulations, legally or illegally, or according to taste. When the people must get government authorization to handle the most trivial details of their lives, and when the issuance of authorizations which also had various economic values was in the hands of government workers with such small purchasing power, it is clear that conditions were ripe for temptation and deviation. In such circumstances those who are willing and able to pay bribes or who have influential friends will have no problem, but the poor oppressed people must wander through the administrative maze and forget about their rights.

Of course, this does not mean that all workers are so corrupted, but most of them spend their lives and their youth working second jobs and selling what they own and have kept their dignity. Never mind this very around-the-clock running to make a living, a life that violates Principle 43 of the Constitution,[4] and the bad social and political effects of making the people indifferent to the nation's basic issues.

If we also look at the scandalous differences between classes, we reach a similar conclusion. With the triumph of the Islamic revolution and the flight or removal of plundering capitalists, as well as the special attention the revolution gave to the deprived classes (especially the rural areas) in setting the budget and allocating resources, there has been a significant decrease in the difference in use of material blessings. If we compare the statistics on utilization of the facilities of life in the years 1358 [21 March 1979-20 March 1980] and 1363 [21 March 1984-20 March 1985] it becomes clear that in the villages the use by families of electricity, potable water, and clinics in 1358 was 27.7, 19.9, and 2.8 percent respectively, but the families who utilized these facilities in 1363 increased 51.5, 42.5 and 2.8 percent respectively.[5] With regard to the division of national income among social groups the same conclusion is reached, meaning that the share of the 20 percent of wealthiest families declined from 32.2 percent in the year 1356 [21 March 1977-20 March 1978] to 27.4 percent in 1361 [21 March 1982-20 March 1983]. On the other hand, the share of the middle 40 percent of families in the same period increased from 31.3 percent to 37.7 percent. The share of the bottom 40 percent of families also increased from 11.4 percent to 13.7 percent.[6]

Unfortunately, this process stopped and then reversed as a result of foreign pressures, the war, and improper methods.

Unfortunately statistics on the above indicators were not published after 1363 [21 March 1984-20 March 1985], but unofficial reports and information suggest a sharp increase in the number of wealthy people and a widening

of the breach between classes, and from an analytical point of view, this truth can be seen:

In inflationary conditions all prices do not increase uniformly. Usually the value and price of manpower (wages and salaries) among the elements of production increase more slowly than the others (capital, land, machinery, and real estate). When inflation increases due to improper policies, in reality the gap increases between the income of those with fixed wages (workers and employees) and that of those who constitute the other elements of production. In other words, the distribution of income in the whole of society becomes more unequal. Now if we add stagnation and unemployment to the other brakes on production, along with inflation, things get worse, because first the gap between the lives of the unemployed and those with other resources cannot be stated, and second with the spread of selling at high prices and hoarding, profits are swollen.

Let us add to this issue the value acquired by the various authorizations that the government centralized system issues for various affairs. The price of these pieces of paper (authorizations), although they create no added value, sometimes goes into the hundreds of millions of rials. At that point, without any conspiracy, we make millionaires overnight of some individuals by giving such authorizations. Of course, as you read in the previous installments, since conspiracy has taken place widely between private sector and government leeches, the negative effects were much greater.

The aggregate of these forms of corruption has created billionaires who are no longer content with a healthy life. Every day they are looking for something new to consume, and, with their quest for comfort, they have brought about much of the nation's social corruption, and they allocate many of the nation's limited resources to satisfy their whims instead of using them for production.

The increase in the number of wealthy people and the growth of their share in the national income, along with the appearance and growth of a new class of individuals with political and administrative influence, unfortunately some of whom are clergymen, who have acquired wealth and profits using government monopolies, mistaken economic policies, and misusing their positions, is a serious threat to the health and continuation of the revolution. If we do not come to the revolution's rescue, there is no telling what these comfortable welfare-seekers will bring down upon the lofty and exalted goals of the revolution, and how the indigent will doubt the righteousness of Islam, and with the spread of the ethics of life in mansions, the revolution's shanty-dwellers will also be drawn into worldly pursuits, just as more or less we are seeing the growth of worldliness in the various classes.

To be continued

Footnotes

1. Iran Statistical Yearbook for 1361 [21 March 1982-20 March 1983] and 1367 [21 March 1988-20 March 1989], Iran Statistics Center.
2. Budget Law for 1362 [21 March 1983-20 March 1984], and the Budget Bill for 1369 [21 March 1990-20 March 1991].
3. The retail price indicator for 1360 [21 March 1981-20 March 1982] was 297.9 and in 1367 [21 March 1988-20 March 1989] it was 953.1. Calculations have been done according to these indicators. Caution must be observed in judging absolute changes in purchasing power, first because of the problems that exist in the calculating the indicators, and second because the non-cash assistance the government gives to workers cannot be calculated and considered easily.
4. Paragraph Principle 43: Designing the nation's economic plan in such a way that the shape, content, and hours of work will be such that that each person, in addition to employment efforts, will have sufficient opportunity and ability for spiritual, political, and social growth, and to participate actively in the nation's leadership and to increase skills and make initiatives.
5. Iran Statistical Yearbook for 1361 [21 March 1982-20 March 1983] and 1363 [21 March 1984-20 March 1985], Iran Statistics Center.
6. A brief comparison of the unequal income distribution indicators in the years from 1348 [21 March 1969-20 March 1970] to 1361 [21 March 1982-20 March 1983], Iran Statistics Center, Khordad 1364 [22 May-21 June 1985].

[25 Apr pp 1, 12]

[Text] Serious Struggle Against Economic Corruption—[Part] IX

Ahmad Tavakolli

What Must Be Done?

In the previous installments, while examining the roots of financial and economic corruption it became clear that the profit motive spreads quickly in an environment of improper economic regulations, as both the number of profit-worshippers and their greed increase. It was shown with statistics, figures, and living testimony that it was the improper context of putting economic affairs in the hands of the government, along with the war and foreign pressures, that played a fateful role in the growth of inflation and unemployment, selling at high prices and hoarding, conspiracy in the making of contracts, embezzlement and bribery, and finally monopolies, discrimination, and intensified class differences.

It is clear that along with a decisive encounter with the corrupt elements in the private, cooperative, and government sectors, a serious struggle with causes must be waged. In other words, until the roots are dried up, the bitter fruits of this diseased tree will not be stopped. It is not a bad idea to consider the views of His Holiness Emam Khomeyni (may his grave be sanctified), that departed leader, in the form of friendly advice, so that we may hear both the pain and the cure expressed in that great man's words:

"If you do not make the people your partners, you will not succeed. In other words, it is impossible to manage a large population without the participation of the population itself. Without its participation, it would be as if we asked the government itself to do the farming. Well, the government cannot farm. The government must validate the farming so that the farmers can farm. Commerce is the same way, industry is the same way." (4 Shahrivar 1363 [26 August 1984], addressing the Council of Ministers)

"As I have said repeatedly, the government will be defeated without the participation of the nation and the expansion of the private sectors arising from the deprived classes and the people and cooperation with various classes of people. If affairs move towards government ownership and putting the nation aside, that will be a fatal disease that must be avoided. The important point must be made that it is necessary to involve those who are familiar with commercial affairs, the deprived bazaar merchants who have suffered the pain of Islam and the revolution, to draw in experienced specialists and committed Muslims." Message of 22 Bahman 1363 [11 February 1984].

"Now that the war is over the people must be free in commercial work, but under government supervision, so that there will not come a time, God forbid, when that corruption starts again." (6/8/1367 [30 August 1988])

"In reconstruction, if the nation is to work on its own, corruption will be created, if the government is to work independently, it does not have the power. The people must be brought along, and they must bring in whatever power they have for this important matter, but with government supervision." (6/8/1367 [30 August 1988])

"The use of the great public forces in reconstruction and construction and valuing those who believe in the revolution, especially those who have been to the fronts and the expansion of popular participation in agriculture, industry, trade, rebuilding ruined cities, and breaking the spell of domestic and foreign monopolies held by established and comfortable people and spreading it to the masses and society." (message to amend the principles of reconstruction, 7/11/1367 [3 October 1988])

It is on the basis of these same views and a strong perception of reality that the exalted leader has deemed it necessary for the new government to move to make a people's economy and create prosperity in production and sound commerce. Of course, for the reason that will be given below, under no circumstances should the matter of the judiciary dealing with corrupt elements be underestimated.

Breaking the spell of improper government monopolies in affairs and the monopolies of private groups and individuals clearly will not be easy, and it will induce resistance, but who is opposed to changing economic policies, turning the work over to the people and developing a setting for sound competition?

In the view of this writer, there are three groups that have opposed and will oppose in the future the measures taken by the government of Mr. Hashemi-Rafsanjani, and they have not been unsuccessful in their efforts. The first group are careless accumulators of wealth who have no commitment to Islam and the people, who have made maximum abuse of the disturbed market and economic conditions of recent years, and who gained 100 years' worth of riches overnight, but their boundless greed demands that they not allow the monopolies to be broken and have it become obvious that it was not their abilities and initiative that made them wealthy; instead it was conspiracy and plundering that filled their pockets with wasted funds.

The second group is the bullies who used political power to defend for years the policies of concentration in the name of the Islam of Mohammad, the salvation of the oppressed, and the implementer of social justice. At the same time they have neither enough commitment to the fundamentals of the revolution designated by the imam (may God have mercy upon him) to stop saying those things, nor is there enough wisdom and national feeling in them for the bitter realities of government control in Iran and in the world to give them pause. Of course, there were many officials and public servants who initially saw those policies as the right path, but gradually or based on the words of the imam (may God have mercy upon him) or on correct perception of reality, they recognized the proper procedures again without rigidity and defended them. The bullies, however, believe that if they allow the populist policies of the new government to become the order of the day and allow the deprived people to catch their breath, their positions will fade. For this reason, either openly or secretly, they have not abandoned their opposition.

The third group is the bullies who are accumulating wealth, who have filled the ranks of both the previous groups. All three groups are to be seen in the examples given previously. The economic and political realities show that their struggle to preserve the spell of monopoly is serious, and unfortunately they have been effective to a significant extent. For this reason, a hard and merciless struggle against the impure elements who directly or indirectly oppose basic economic change based on the views of his holiness the imam (may God have mercy upon him) and the exalted leader is an immediate and serious necessity. From this perspective, the struggle against the corrupt is no longer a fight with a cause, it is a necessary condition of negating the roots of corruption. This is a recommendation we have insisted on repeatedly.

If these measures are taken seriously, immediately, and without concessions or rationalizations, it will become obvious where the huge fortunes are concentrated, and the dirty private sector and government hands that have been clenched together will be exposed. In that case it will become clearer to our alert people that the slogans undermining the imam in political and economic affairs, which mostly come from the mouths of elements such as this, are false.[1]

To be continued

Footnotes

1. As an example it is not a bad idea to cite the pre-agenda speech of Mr. 'Isa Vela'i on 9 Esfand 1368 [28 February 1990]. He accused Mr. Hashemi-Rafsanjani, the president of the republic, of opening the way for the leeches in the last few months, saying that things have not worked out! because a concession was not given to the merchant he referred to the Ministry of Commerce.

[26 Apr pp 1, 12]

[Text] Serious Struggle With Economic Corruption—Final Installment

Ahmad Tavakolli

To conclude this series of articles it will not be without benefit, as advice to the Muslim imams and as an old colleague in the Majles, which is now a small bridge between the people and the officials, if I say something to the chiefs of the governmental powers.

Respected chief of the judiciary, first I must thank you, for since you took office there have been new measures taken in some cases by the judiciary. These examples indicate that if the power of the judiciary and its officers (the police forces) are also brought to bear in other cases, clearly suitable speed will be achieved in accordance with the essence of the case. In the subject under discussion, the following points are worthy of your excellency's attention:

(1) As you yourself have said repeatedly, it is necessary to deal with corrupt people and violators in economic affairs. I do not think you regard this as any less necessary than dealing with cases of those who violate the lives of the people. There is no significant defect in the existing law, so what are the obstacles to this? The people are not pleased with the fact that the officials are always talking about the necessity of doing their duties, instead of reporting on how they have performed their duties. A task whose direction has been laid out for years has had no other result than disappointing a large number of people. The pious and deprived especially have placed their hopes with you. Lethargy in the work must not be allowed to undermine the hope of the nation—this great national investment.

(2) One measure that bolstered the hopes of the people and frightened and disappointed opponents was giving the necessary information to the public. Why shouldn't the people be told about the arrest of violators and abusers? So far many of these violators or these plunderers or violators have been prosecuted when the people were not told, on the pretext that reporting on these matters could result in their collaborators hiding the traces of the crime or in propaganda abuses by the enemy. For example, why shouldn't the people know who the members of a network of middlemen were, and what their relationships were inside the country and abroad? Do you think their arrest is something their colleagues don't know about? If this information is published in a timely manner, clearly public expectations will result in fewer delays in dealing with the matter.

(3) An example of this is making the court's investigation of abuses by the Vedad Company secret. It was heard that the reason for it was that some respected officials were summoned to the court as informants. If the nation and the world see that a respected official is summoned as a witness and appears in court willingly, is this a source of pride for the Islamic government or shame? Haven't our clergy repeatedly cited the appearance in court by Master 'Ali (peace be upon him) in response to a complaint, as evidence of the honor of Islam? Perhaps the reason is that unfortunately there is a climate of opinion that in carrying out the commands of justice, the accounts of officials should be kept separate from ordinary people. For example in the case of RESALAT's complaint about a number of Majles deputies because of their accusations, slander, and propagation of lies, they are still procrastinating saying that summoning them might create a disturbance. Should one fear a disturbance when carrying out Islamic justice? If so the public rabble rousers will always be an obstacle to the implementation of justice.

(4) It is said that a large number of cases, including many cases involving financial abuses, were closed before your management. Is this report correct? If it is correct, what steps have you taken to prosecute those who were responsible for protecting files? The people must know who was involved in the hundreds of files that have been lost, and who looked the other way and for what reason to protect them! In conclusion, I must thank you for your assistance with the editorials and for the documents and papers pertaining to the cases cited that you requested, and I present them all to the people.

Respected speaker of the Majles, it is appropriate that I thank your excellency for the understanding you reached with the chief of the judiciary to support the programs of the new government and to mount a clear confrontation without slogans against economic corruption. God willing, your attention to the following matters in this same area will not be without benefit:

(1) In your talk of 12 Farvardin [1 April] at Imam Hoseyn (peace be upon him) Square, you expressed regret that the economic revolution has not yet taken place. Clearly, there is yet a long way to go before reaching the goals of the revolution in economic affairs, and unfortunately, as you have also explained and as these articles have also shown, we have not followed the proper course in recent years. Clearly, it is your view that achieving the goals of the revolution requires the implementation of the views of the imam (may God have mercy upon him) and the exalted leader, and you also agree that a condition of achieving the goals is giving top priority to economic, social, and political stability, but unfortunately there are those who, knowingly or not, are constantly creating problems by expressing political views or proposing apparently revolutionary projects to create stability, whether domestically or abroad, and

they even accuse the likes of Mr. Hashemi-Rafsanjani, who is seeking to carry out the reconstruction policies of the founder of the Islamic Republic, of compromising with the capitalists and imperialists! As the chief of the legislative power, you are expected to thwart such processes by taking clear and decisive positions. To make it clear that before he passed away the imam of the nation specified how do deal with this type of activity, I direct the attention of the public to a statement by that great leader. These words were said during times when the same type of people were making the kinds of foolish statements we are hearing today.

"In the matter of reconstruction and construction, I am confident that highly-placed people in the government and the respected officials, just as in the past, will never accept the loyal and revolutionary people of our nation, because achieving this goal would end in making Islamic Iran dependent on the East or the West. Recently the East and the West have openly and secretly tried a new trick to create a split and a disagreement among supporters of the Islamic revolution. They are accusing the dear and highly-placed officials of our nation, as well as public figures, prominent members of the Majles and the government and the clergy, of leaning towards dependence as well as retreating from former positions, and ultimately of leaning towards the East, the West, and slyly, by making such statements that so-and-so in the government of the Islamic Republic is right-wing, moderate, compromising, leaning to the West, or that such-and-such an official has become a hard-liner and a revolutionary, they effectively undermine the confidence of the people in the insiders in the government. With the help of God and with the growth and the awareness of the people, the market for remarks of this kind will grow stale in the country and there will be few customers." (6/8/1367 [30 August 1988])

(2) You have declared comprehensive support for the judiciary in confronting leeches in the government organizations, the bazaar, and the street, which is most fortunate. As was said before, there is a greater necessity for political support to encourage the judges. Testimony has been given in these articles to the effect that some people are creating obstacles based on political power. Your continued effort, and the publication of the report of the Majles Judicial Commission concerning the foundations formed since the revolution, will help with this objective. You know that the commission's initial report concerning the activities of several apparently non-profit foundations has not been published since 10/17/1366 [7 January 1988], when its completion was announced in the Majles. Why shouldn't the people know about the results of the Majles investigation in this matter?

(3) Some financial measures are being taken in the Majles which are questionable. For example, Mr. Bayat, deputy speaker of the Majles, paid some deputies a million rials each during Unity Week, and on New Year's Eve he paid a number of deputies between one million and five million rials. Under what regulations and commands were these payments made? What was the source, under what procedure were these monies spent, and how are those costs controlled? Measures of this kind taken without properly informing the people give rise to misgivings.

Respected president of the republic, your excellency, because of the great and burdensome task you have taken on, the people have placed great hope in you, and some people see in you the concern and courage of Amir Kabir. They expect that economic change, which is also a requirement for strengthening the defense foundation and the glory of the revolution, depends on the decisive implementation of the policies that were approved by his holiness the imam (may God have mercy upon him). The exalted leader has also approved them, and at the beginning of your work you also promised to implement them. There are many problems, and those who would put up obstacles are not without power. However, you have the support of the leadership and the nation, which is the environment for God's mercy, and that is a most powerful implement in your hand. If there is delay in the implementation of constructive and monopoly-breaking policies, things will get more and more difficult. The gold-worshippers and the wealthy bullies opposed to your policies, who are opposed to the leadership and the revolutionary government in word or in deed, will not settle for less than "everything"!

We pray that all the officials of the Islamic Republic will be successful in service to the people and Islam, and that they will be able to draw the hearts of all the oppressed people of the world to the religion of unity by uplifting Islamic Iran, this motherland of Islam.

Nepal & Bhutan

Bhutan

Activists Say Tourists Barred To Hide Repression

BK1707164290 Hong Kong AFP in English 1625 GMT 17 Jul 90

[Text] Kathmandu, July 17 (AFP)—Bhutanese activists visiting Nepal on Tuesday [17 July] accused their king of keeping out foreigners in order to continue torture of political prisoners and other repressive policies. "Only the richer class of tourists are permitted to visit Bhutan on organized tours and this costs 1,000 dollars per day for each tourist," D.P. Kafle, spokesman for the dissident Bhutan Peoples' Party, said.

Journalists were also denied entry, said Mr. Kafle, whose party was founded last month in exile in the Indian state of West Bengal.

"If tourism is opened up, at least 50,000 to 75,000 tourists would definitely visit annually against the present rate of 250 visits," said Mr. Kafle.

But King Jigme Singey Wangchuk, who is both head of state and head of government, wants to protect his

kingdom from foreign political influences and retain his power, he said. He also claimed that there were 13 activists who had been imprisoned without trial and frequently tortured. He and other activists said all Bhutanese were denied democratic freedoms and that ethnic Nepalese in Bhutan were forbidden from continuing their cultural traditions and speaking their language.

His comments came as a five-member delegation visited Nepal to expose what it said were human rights abuses at home. The group also included representatives of the Bhutanese Peoples' Forum for human Rights (BPFHR) and the Students Union of Bhutan.

Delegation members said they left there Tuesday [17 July] assured that Kathmandu would help their struggle for democracy and the rights of ethnic Nepalese in Bhutan, which is separated from Nepal by the tiny northeastern Indian state of Sikkim. Nepal itself experienced a two-month democracy movement earlier this year that led to the lifting of a 30-year ban on political parties.

Forty-nine per cent of Bhutan's 1.3 million people are ethnic Nepalese who have been living in the kingdom since the 1816 Sugauli Treaty between the Nepalese and the then British rulers in India. Mr. Kafle said most ethnic Nepalese in Bhutan held agricultural jobs since they were denied access to government work. They were also required to adopt Bhutanese customs and dress, subject to forced labor, and denied freedom of speech as well as the right to assemble peacefully, other dissidents here said.

Narendra Sharma, a Bhutanese attending New Delhi University, said that people's privacy was violated, adding that letters were censored.

Mr. Kafle also charged that there were many political prisoners in Bhutan. "Altogether, 13 political activists, including the chairman of the People's Forum for Human Rights, are detained in Bhutanese jails without trial," he charged.

"In the absence of an independent judiciary in Bhutan, the political prisoners were very much tortured," he claimed.

Mr. Rizal and the other activists were reportedly abducted last November from Birtamod, 290 kilometers southeast of Kathmandu, with the help of supporters of the former autocratic Nepalese Government and taken to Bhutan. The activists included a teacher, a former royal advisor and ex-servicemen and businessmen who were charged with violating the code of conduct introduced by the king. The prisoners are forbidden from meeting their relatives and are tortured day and night, according to Gopal Ghimire, vice chairman of the Bhutanese Peoples' Forum for Human Rights.

"Our main objective is to fight jointly against the autocratic rule of the Bhutanese monarch and establish democracy with full-fledged human rights in Bhutan," said Mr. Sharma.

Pakistan

Further Reportage on Indo-Pakistani Talks

'Inconclusive' Talks End 19 Jul

BK1907152890 Islamabad Domestic Service in Urdu 1500 GMT 19 Jul 90

[Text] The talks between the foreign secretaries of Pakistan and India ended in Islamabad today with the two sides agreeing to continue the inconclusive talks on the 9th and 10th of August in New Delhi.

India's Dubey Reviews Talks

BK1907160390 Delhi Domestic Service in English 1530 GMT 19 Jul 90

[Text] The two-day talks between the foreign secretaries of India and Pakistan concluded in Islamabad today. The delegations of both countries discussed all aspects affecting India-Pakistan relations with the objective of defusing tension and normalizing relations in four sessions.

Speaking to our Islamabad correspondent, Suresh Chopra, the Indian foreign secretary, Mr. Muchkund Dubey, described the talks as useful and purposive. The foreign secretary disclosed that very detailed and specific discussions were held on the seven-point package of confidence-building measures proposed by India. Mr. Dubey said the second round of talks between the two foreign secretaries will be held in New Delhi in the second week of August where these confidence-building measures will be further discussed.

The Indian foreign secretary took the stand that the issue between India and Pakistan is not Kashmir, but the state of bilateral relations between the two countries. Posing a question on why our bilateral relations have come to this stage, the foreign secretary said it is mainly because Islamabad is not observing the norms that govern relations between neighbors. These norms, Mr. Dubey pointed out, are enshrined in the Simla Agreement.

Spokesman Calls Talks 'Candid'

BK1907162590 Islamabad Domestic Service in English 1600 GMT 19 Jul 90

[Text] The two-day talks between the foreign secretaries of Pakistan and India ended in Islamabad this evening. The talks remained inconclusive and the two sides agreed to resume discussions on the 9th and 10th of next month in New Delhi. The foreign secretary, Mr. Tanvir Ahmad Khan, led the Pakistani side and the Indian foreign secretary, Mr. Muchkund Dubey, led his country's delegation.

A Foreign Office spokesman later described the talks as intensive, comprehensive and candid, covering all issues and aimed at building confidence between the two countries. He said Pakistan emphasized the need to find a political solution of the Kashmir problem. The Pakistani side emphasized that the seven-month long mass

uprising in the held territory had proved once again that without addressing the central issue of Kashmir it would continue to cast a dark shadow on bilateral relations between the two neighboring countries. The spokesman said it was felt during the talks that the Indian side was not yet ready for a political solution of the problem.

Further on Spokesman's Briefing

BK2007101390 Islamabad Domestic Service in Urdu 0200 GMT 20 Jul 90

[Text] Pakistan called on India to seek a political solution to the Kashmir problem. Commenting on the talks between the foreign secretaries of Pakistan and India, which ended in Islamabad yesterday evening, a Foreign Office spokesman said Pakistan feels that the people of the Indian-held territory want to change the status quo and secure their right to self-determination. Pakistan emphasized at the talks that the seven-month-long uprising in the occupied territory has proven once again that bilateral relations between the two neighboring countries will continue to be affected if the Kashmir issue remains unresolved.

The spokesman said that it was felt during the talks that India was not yet ready for a political solution to the Kashmir problem. Pakistan expressed its deep concern over such a massive deployment of Indian troops in occupied Kashmir and along the Punjab border. Pakistan emphasized that its efforts to establish tension-free relations would be meaningless if the forces of the two countries remain in a confrontational position. The Indian side was asked to reduce the number of its forces at the border, but no conclusion was reached despite extensive deliberations. The two sides agreed to continue discussions.

The two sides agreed in principle on prior notification of troop movement. An agreement will be signed in this regard at a later stage. Pakistan put forward some proposals to improve the present level of contacts between military commanders of the two sides, and reiterated its proposal for a neutral verification mechanism for joint border patrolling. The Indian side, regretfully, did not agree to this, nor did they give any alternate proposals for any UN-supervised or bilateral mechanism.

The spokesman said that Pakistan also raised the issue of ratio of forces of the two countries, and called for a consultative mechanism for the induction of new weapons systems and measures to check production, deployment, and use of nuclear weapons in the area.

Indian Foreign Secretary Muchkund Dubey said that he was satisfied with the Pakistan-India talks, at which they mainly discussed confidence-building measures. He said that there was no fixed agenda and that both sides discussed all issues of bilateral relations with an open mind.

The Indian foreign secretary had a meeting with Iqbal Akhund, adviser to the prime minister on foreign affairs and national security, in Islamabad yesterday. Mr. Akhund told the Indian foreign secretary that positive diplomatic efforts are essential in checking the danger of a military confrontation between the two countries and in removing the root causes of the current tension in relations. In this context, the adviser emphasized that the central issue of Kashmir will have to be addressed seriously in the interests of peace and stability in the region. Iqbal Akhund welcomed the start of the foreign secretary-level dialogue and hoped that it would make meaningful progress toward confidence building, deescalation of tension, and the search for a solution to the outstanding problems between the two countries.

Dubey: Talks 'Good Beginning'

BK2007104890 Islamabad Overseas Service in English 0800 GMT 20 Jul 90

[Text] The Indian foreign secretary, Mr. Muchkund Dubey, left Islamabad today at the end of two-day talks between Pakistan and India. Talking to newsmen at the airport before his departure, he described the talks as a good beginning aimed at creating better understanding between the two countries. He said the talks had helped to [word indistinct] better understanding of each other's perception of issues relating to bilateral relations.

Dubey Claims Proof of Subversion

BK2007105090 Delhi Domestic Service in English 0830 GMT 20 Jul 90

[Text] The foreign secretary, Mr. Muchkund Dubey, has said that India has presented a massive incontrovertible, and irrefutable evidence to Pakistan on its involvement in terrorism and subversion in India. Speaking to our Islamabad correspondent, Suresh Chopra, before his departure for New Delhi this morning, Mr. Dubey said that his talks with his Pakistani counterpart have resulted in better understanding and perception of each other's position and that it was an important first step.

Later, the Pakistan foreign secretary, Mr. Tanvir Ahmad Khan, confirmed to our correspondent that the Indian side has handed over late last night a dossier said to contain evidence of Pakistan's involvement in terrorism and subversion in India.

Bhutto on Indian Premier's Soviet Visit

BK1907162190 Islamabad Domestic Service in Urdu 1500 GMT 19 Jul 90

[Excerpt] The prime minister has reiterated that Pakistan does not want a war with India and desires to resolve the Kashmir issue through peaceful negotiations. Benazir Bhutto said this while talking to newsmen after her arrival in Lahore on a short visit today. She said that war has always been a horrible thing and such issues cannot be solved by war. The Kashmir issue has been the root cause of tension between Pakistan and India, and Pakistan wants a solution to this issue in accordance with international law instead of a military confrontation. The prime minister said she has full confidence in

the capabilities of the Armed Forces of the country and in the unity of the people. She said that if aggression is carried out against Pakistan, it will be repelled with full force. The prime minister said Pakistan is aware of India's military capabilities and knows what it can acquire from foreign countries. Benazir Bhutto said that it is good that the Indian prime minister will visit the Soviet Union where its republics are declaring their independence. The Soviet Government has not adopted the path of violence and this fact will help the Indian prime minister assess the historical dispute over the Kashmir issue.

Replying to a question on the constitutional powers of the Armed Forces in Sindh, the prime minister said that the provincial government has sought the help of the federal government under Article 147 of the Constitution and that the fundamental rights of the people in the province are intact. On the question of initiating talks in Sindh, Benazir Bhutto said that political consultations are essential in dealing with political problems. However, she said, the assistance of the Armed Forces is necessary in dealing with the problems of terrorism and armed subversion. The prime minister said she thinks that there is a difference between political problems and the problems of terrorism and subversion, adding that the door for political consultation should be kept open. [passage omitted]

Sri Lanka

Wijeratne Holds Briefing on LTTE Situation

BK1907114590 Colombo LANKAPUVATH in English 0930 GMT 19 Jul 90

["OANA/pool" item]

[Text] Colombo, July 19 (LANKAPUVATH)—Security forces met stiff opposition from the LTTE [Liberation Tigers of Tamil Eelam] who attacked Sinhala villages in Batticaloa and Trincomalee, but the forces have effectively countered the attacks, said the minister of plantation industries and minister of state for defence, Ranjan Wijeratne, at the cabinet news briefing today.

He said that in one of these encounters the bloodthirsty LTTE criminal codenamed 'Regan' was wounded but had subsequently committed suicide by swallowing a cyanide capsule.

Mr. Wijeratne said that whenever the LTTE was cornered by the security forces they mingled with the civilians and changed from battle fatigues into sarongs and banians (under-shirt). The LTTE, Mr. Wijeratne said, had cheated at every turn. They were a bunch of liars and cheats.

He said that due to IPKF [Indian Peacekeeping Force] operations the LTTE had lost a large number of their cadres and as a result they had been forced to form a "baby brigade" comprising young boys and girls. Many of these recruits had been forcibly inducted. Some of them could hardly carry their weapons.

Minister Wijeratne said that Mannar is consolidated and a refugee camp will be set up where the inmates will be cared for and tended to by the government. He dismissed as "nonsense" the large number of civilian casualties as posted by the LTTE.

General Cyril Ranatunge, secretary to the Ministry of Defense, said achievements of the security forces were "fantastic". He said that the forces were not at all prepared for a war situation. They had to start from "zero" when the situation was thrust upon them and therefore by any standards the performance of the forces was fantastic.

Mr. Wijeratne said that leadership, planning and perfect execution were the factors that brought encouraging results. He said that while the Sri Lanka Government never held any ulterior motives, the LTTE had from the very beginning cheated not only the government but the general public too.

This war situation was provoked by the LTTE by attacking two army camps at Batticaloa which clearly indicated that they were preparing for war while attending ongoing talks.

General Ranatunge giving the casualty figures said that 138 Army, four Air Force, one naval and one special task force personnel and 289 policemen had been killed in action.

Associated with Mr. Wijeratne at today's cabinet news briefing were the minister of state for information, A.J. Ranasinghe and the secretary in the Ministry of Defense, General Cyril Ranatunge.

Press Release Lists Operations Against LTTE

BK1907151990 Colombo LANKAPUVATH in English 1205 GMT 19 Jul 90

["OANA/pool" item]

[Text] Colombo, July 19 (LANKAPUVATH)—The security forces during the last 24 hours ending 1200 noon Thursday further consolidated their positions in the Badulu junction area of Bakkiella in the Amparai District, states a press release issued by the Department of Information.

The release further states that the LTTE [Liberation Tigers of Tamil Eelam] terrorists attempted to attack and penetrate the flank positions of the security forces to prevent the reinforcing of perimeter bunkers. The security forces counterattacked the LTTE terrorists with mortar and machine gun fire successfully. The LTTE terrorists fled leaving nine terrorists dead and over 20 of them reportedly seriously injured. The security forces reported two soldiers dead and seven wounded.

The security forces engaged in clearing operations west of Kalawanchikudy and Palawatawankerni in Amparai District encountered small groups of LTTE terrorists

who were harassing Muslim villagers in the last few days and killed 17 terrorists. The present strategy of the LTTE terrorists is to instil fear and panic in order to make the Muslims leave their homes.

The security forces conducting cordon and search operations at Alawadivembu in Akkaraipattu killed 13 LTTE terrorists who tried to slip out of the security cordon.

The security forces recovered two bags of high explosives used to manufacture landmines, four empty plastic cans and two pouches containing hand grenades.

The Special Task Force conducting search operations in the Sagama area of Akkaraipattu killed four LTTE terrorists and recovered a bag of hand grenades and two cans of high explosives weighing 40 KG.

The security forces ambushed a group of six LTTE terrorists in the area of Kirankovilkulam in Pothuvil and recovered two repeater shotguns, hand grenades and 40 KG of high explosives.

In the Northern Province, the LTTE terrorists continued to fire mortars and machine guns into the army camps in Kankesanthurai, Jaffna Fort and Kilinochchi.

The security forces killed four LTTE terrorists with sniper fire in the Vasavilan-Kadduwan area.

There have been no major incidents reported in the area of Manakulam. However, the security forces continued to consolidate their positions. In a search operation conducted in the area the security forces have recovered a large quantity of anti-personnel mines, high explosives and a few T-81 rifles and communication equipment of the LTTE terrorists.

In Talaimannar, the security forces conducting search operations encountered a small group of LTTE terrorists. There were no casualties reported by the security forces but the LTTE had two dead.

Meanwhile, the government has decided to set up two large refugee camps in the Mannar Island and in Vavuniya for displaced persons of the Northern Province.

The assistance of the International Committee of the Red Cross has been sought to ensure that the humanitarian services are provided without interruption. The security forces will provide adequate security cover while the GA [Government Agencies] of the respective district will be in charge of the overall management.

A large number of representations have been received by almost all the ministries, from the public sector employees serving in the Northern and Eastern Provinces describing the misery and suffering they have been compelled to undergo as their salaries have not been paid so far for the month of June 1990. This is because work in many of the public sector institutions have been disrupted by the unprovoked attacks by the LTTE terrorists on such institutions and in certain instances due to the disruption of public buildings.

In view of the abnormal situation and the hardships caused, it has been decided by the government that the Ministry of Public Administration, Provincial Councils and Home Affairs be empowered to grant authority to the secretaries to the ministries, heads of department and chairman of corporations to make arrangements for the payment of the June [passage indistinct].